

Preventing Social Exclusion

Report by the
Social Exclusion Unit

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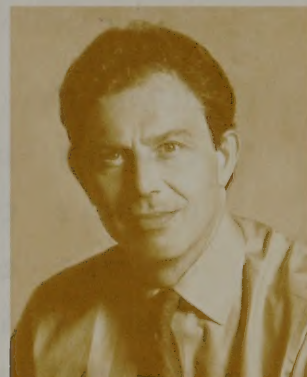
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CONTENTS

FOREWORD BY THE PRIME MINISTER	4
SUMMARY	5
CHAPTER 1 SOCIAL EXCLUSION AND WHY IT MATTERS	10
CHAPTER 2 COSTS	22
CHAPTER 3 CAUSES	25
CHAPTER 4 A NEW APPROACH	28
CHAPTER 5 DELIVERY	35
CHAPTER 6 WHAT NEXT?	56
 ANNEXES	
ANNEX A THE SOCIAL EXCLUSION UNIT	57
ANNEX B TRUANCY AND SCHOOL EXCLUSION	59
ANNEX C ROUGH SLEEPERS	63
ANNEX D TEENAGE PREGNANCY	67
ANNEX E BRIDGING THE GAP	71
ANNEX F NATIONAL STRATEGY FOR NEIGHBOURHOOD RENEWAL	74
 NOTES	77

FOREWORD BY THE PRIME MINISTER

We came into office determined to tackle a deep social crisis. We had a poor record in this country in adapting to social and economic change. The result was sharp income inequality, a third of children growing up in poverty, a host of social problems such as homelessness and drug abuse, and divisions in society typified by deprived neighbourhoods that had become no go areas for some and no exit zones for others. All of us bore the cost of social breakdown – directly, or through the costs to society and the public finances. And we were never going to have a successful economy while we continued to waste the talents of so many.



No Government could expect to turn these problems around overnight. But from the outset we made investment in opportunity a priority in spending reviews and budgets, and created the Social Exclusion Unit as a force for change.

There were many cynics who thought nothing could be done. But we had a clear direction. This document shows what has already been delivered on the ground, the changes that are in train for the future, and how the policy process has been modernised to achieve all this.

The early results are impressive. More than a million children have already been lifted out of poverty. By next month, two million of the poorest pensioner households will be at least £800 a year better off in real terms. Our literacy and numeracy strategies are working. More than a million people have started work. School exclusions, rough sleeping and numbers of teenage pregnancies are falling. 16 to 18 year olds are getting the advice and support they deserve. We have a new basis for regenerating our poorest neighbourhoods. And we have made a long-term investment in a better future for our children through Sure Start and the Children's Fund.

The Government has made a start on a big programme of change. Preventing exclusion where we can, reintegrating those who have become excluded, and investing in basic minimum standards for all. And we have worked in a new way – developing partnerships around common goals with the public services, communities and charities, businesses and church organisations that have been struggling with the causes and symptoms of poverty for so long.

Of course there is more to do. We are determined to take our programme forward, towards our vision of a better, fairer society that supports the most vulnerable, focuses on the future and delivers quality of life for all.

We know the scale of the challenge we face in grappling with these deep-seated social difficulties. But we know too that in tackling the problems of social exclusion we can help make our country a better place for everyone. We are determined to make it so.

Tony Blair

SUMMARY

Why social exclusion is a priority

1. In the mid-1990s, this country¹ was distinguished from its EU competitors by high levels of social exclusion. It topped the European league for children growing up in workless households, for teenage pregnancy rates and for drug use among young people. Twenty per cent fewer 18 year olds were staying on in education than the EU average, and this country had some of the highest rates of adult illiteracy in Europe.
2. Many of these figures had worsened during the 1980s and 1990s. Crime doubled between 1980 and 1995. Child poverty trebled between 1979 and 1995. Recorded exclusions from school quadrupled between 1990–91 and 1996–97, and notified drug addicts quadrupled in the decade to 1996. And in the early 1990s, some 2,000 people were sleeping rough in central London each night.
3. The most severe forms of exclusion – such as pregnancy under 16, exclusions from school or rough sleeping – affect a fraction of one per cent of the population. But approaching ten per cent suffer significant problems – for example, nine per cent of 16 to 18 year olds were not in learning or work in 1997; ten per cent of young men aged 18 to 24 were alcohol dependent; seven per cent of men born in 1953 had served a prison sentence by the age of 46. And many groups are affected by several different problems like these.
4. This ‘joined-up’ nature of social problems is one of the key factors underlying the concept of social exclusion – a relatively new idea in British policy debate. It includes low income, but is broader and focuses on the link between problems such as, for example, unemployment, poor skills, high crime, poor housing and family breakdown. Only when these links are properly understood and addressed will policies really be effective.
5. Social exclusion is something that *can* happen to anyone. But certain groups, such as young people in care, those growing up in low income households or with family conflict, those who do not attend school, and people from some minority ethnic communities are disproportionately at risk of social exclusion. There are also particular times when people are most vulnerable, such as when leaving home, care or education.
6. When the Government came to office it made tackling these interlinked problems a priority, because of the huge human costs to individuals and society, and the impact on the public finances and the competitiveness of the economy.
7. The human costs were faced by:
 - **individuals who experience social exclusion** – underachievement in education and the labour market, low income, poor access to services, stress, ill-health and the impact on children; and
 - **wider society** – reduced social cohesion, higher crime and fear of crime, and higher levels of stress and reduced mobility.
8. The financial costs came in paying for crime, school exclusions, drug misuse and unemployment, and in lost tax revenue. Business suffered too from a less skilled workforce, lost customers and markets, and – like the rest of the population – had to pay the tax bills for social failure. It followed that it would benefit everyone in society if social exclusion could be reduced and made less likely in future.

Why had social exclusion become so bad?

9. To start to tackle the problem of social exclusion effectively, it was important to understand why it had become so pronounced in this country. Some of the causes were forces that affected most western countries in the last two decades, such as the move to high-skill, high-tech industries; and increasing rates of family breakdown.
10. But **Government policies** were not as effective at tackling social problems as they could have been. In many cases the structure of Government meant that the joined-up problems of social exclusion did not receive a joined-up response. In particular:
 - policy was poor at **preventing** social exclusion – despite clear evidence of groups at risk and events that can trigger exclusion, and the likelihood that investment in prevention would save money in the long term;
 - it was poor at **reintegrating** those who had become excluded. Once someone became unemployed, homeless, or was expelled from school, services often did not come together to try to repair the damage; and
 - many **basic services** (in both the public and private sectors) were weakest where they were most needed, with deprived areas having fewer GPs, poorer shopping facilities, and more failing schools.
11. Underpinning many of these problems were structural weaknesses in **Whitehall's ways of working**, such as the difficulty of joining-up policies across departments; perverse effects; a failure to help people to tackle their own problems; services organised for the convenience of the provider not the client; short-termism and top-down approaches; and poor working with – and learning from – external partners such as local government, the voluntary sector and faith groups, businesses and communities.

The Government's approach

12. To deal with these problems, the Government has pursued a strategic approach that has included all Whitehall departments and many external partners.
13. Tackling social exclusion has been a priority in **Budgets and spending reviews**, with investment in opportunity a priority for the resources released through better control of public finances. The Government has committed itself to annual reporting on its anti-poverty strategy in *Opportunity for All*. And the **Social Exclusion Unit** was set up to co-ordinate policy-making on specified cross-cutting topics such as school exclusion and truancy, rough sleeping, teenage pregnancy, youth at risk and deprived neighbourhoods.
14. These actions have had three broad goals:
 - **preventing** social exclusion happening in the first place – by reducing the numbers who go through experiences that put them at risk or targeting action to compensate for the impact of these experiences;
 - **reintegrating** those who become excluded back into society, by providing clear ways back for those who have lost their job or their housing, and missed out on learning; and
 - **getting the basics right** – delivering basic minimum standards to everyone – in health, education, in-work income, employment and tackling crime.

15. These goals have been underpinned by a new approach to developing and delivering policy, consistent with *Modernising Government* including:
- a **more open policy-making process**, that includes those who are affected by social exclusion, and those on whose efforts policy will depend for its success. For example, the Social Exclusion Unit's Policy Action Teams brought more than 200 representatives from business, local government, the voluntary and community sector, the research community, faith groups and minority ethnic communities into the heart of new policy development. The Social Investment Task Force, established by the Chancellor of the Exchequer, brought together a range of experts from the private and voluntary sector to develop new ways of harnessing local skills and private finance for regeneration;
 - **joined-up implementation of policy** with new units such as the Children and Young People's Unit, the Rough Sleepers Unit and the Neighbourhood Renewal Unit bringing together staff from a range of backgrounds in and outside Whitehall to see through action that crosses departmental boundaries;
 - a **new emphasis on the link between economic and social policy**, for example, through putting jobs, enterprise and economic revival at the heart of the neighbourhood renewal strategy, and making tackling social exclusion a priority in spending reviews and Budgets;
 - more focus on **outcomes**, with clear measurable targets for what programmes are to achieve, and a specific focus on outcomes in the poorest areas that could easily be concealed by just focusing on averages; and
 - a **'rights and responsibilities' approach** that makes Government help available, but requires a contribution from the individual and the community. So, under the New Deal benefits can be withdrawn if people do not take up opportunities; Educational Maintenance Allowances are conditional on attendance and performance; Individual Learning Accounts match a contribution from the individual and the Government; new funding for neighbourhoods is conditional on community involvement.

Results

16. Many aspects of social exclusion are deeply entrenched, and eliminating them is a long-term project. But results are already starting to come through.
17. Action to **prevent** social exclusion is delivering results:
- the proportion of children in homes where no-one is in work has fallen from 17.9 per cent in 1997 to 15.1 per cent in 2001;
 - over 100,000 children are benefiting from the Sure Start programme to ensure they are ready to learn by the time they reach primary school;
 - school exclusions have fallen by 18 per cent between 1997 and 1999;
 - under-18 conception rates have fallen in four out of the last five quarters;
 - more 16–18 year olds are staying on in education;
 - the Care Leavers strategy has been introduced;
 - the Rough Sleepers Unit is piloting new approaches to end the fast track to homelessness from prison and the Armed Forces;

- Stakeholder Pensions will help moderate earners build up better pension entitlements from this April. Some 18 million people stand to gain from the State Second Pension, providing more support than under the State Earnings Related Pension Scheme (SERPS) for modest and low paid workers, and for carers and the disabled; and
- the personal tax and benefit measures introduced over this Parliament mean that by October 2001, a single-earner family on half average earnings and with two young children will be £3,000 a year better off in real terms compared with 1997. Families with someone in full-time work will have a guaranteed minimum income of at least £225 a week, £11,700 a year. And families with children in the poorest fifth of the population will on average be £1,700 a year – or around 15 per cent – better off.

18. And programmes to reintegrate people who have become excluded are recording successes:

- since 1997 more than 270,000 young unemployed people have moved into work through the New Deal for Young People;
- over 6,000 people have found work through the New Deal for Disabled People and over 75,000 people had found work between October 1998 and December 2000 through the New Deal for Lone Parents;
- all Local Education Authorities (LEAs) have increased provision for excluded pupils, a third already do so, and two-thirds plan to offer them full-time education in 2001;
- between June 1998 and June 2000, the number of rough sleepers fell by 36 per cent; and
- the proportion of teenage parents in education, employment or training has increased from 16 to 31 per cent between 1997 and 2000.

19. And changes in basic public and private services are focusing improvements on the poorest:

- higher standards than ever before in Key Stage 2 English and maths with a ten and 13 percentage point improvement in each subject respectively between 1998 and 2000;
- 44 Local Education Authorities (LEAs) in the 88 most deprived areas² improved their Key Stage 2 maths results by 14 per cent or more between 1998 and 2000. The most improved area was Tower Hamlets, with an increase of 23 per cent;
- 24 LEAs in deprived areas improved their Key Stage 2 English results by 11 per cent or more over the same period;
- between 1998 and 2000 children from most minority ethnic communities saw a rise in achievement of GCSEs. This includes an eight percentage point increase in the number of black pupils achieving five or more GCSE grade A*–C, against an average for all pupils of three percentage points;
- unemployment has fallen faster than the national average in 19 of the 20 highest unemployment areas;
- the combined effects of Minimum Income Guarantee (MIG), Winter Fuel Payments and free television licences for those aged 75 and over mean that from April 2001 around two million of the poorest pensioner households will be at least £800 a year better off compared with 1997 – a real terms rise in living standards of 17 per cent.
- together with tax and benefit reforms, the national minimum wage has helped to make work pay and encourage individuals to move from benefits into work; and
- by the end of 2000, all the high street banks offered a basic bank account available to all.

- 20.** These improvements are a good start. Trends on literacy, school exclusion, post-16 participation and rough sleeping are on track. Incomes for the poorest pensioners and families, and for low-paid workers, have risen substantially. Where programmes have been slow to deliver results, for example on truancy, the Government is intensifying action. But many of the programmes in this document are only in their infancy, and are on course to deliver more substantial results over time. At the same time, policy innovation has been accompanied by new structures and new ways of working within Government. These have created clearer accountability for cross-cutting subjects such as rough sleeping, neighbourhood renewal and youth policy; set the basis for a new relationship of partnership with groups outside Government; organised services around the needs of the client; and helped people to help themselves.

The future

- 21.** For the future, the Government will be:

- sustaining the investment that has been made;
- following up what has been put in place;
- maintaining an open working relationship with those outside Government;
- raising standards once current targets are met; and
- extending the new approach to other areas that have not yet been radically reassessed or where new problems emerge in future.

This will be a priority for Departments' work programmes, for the next spending review, and for future SEU reports.

- 22.** In the short-term, the SEU will be completing the current project on reducing re-offending by ex-prisoners, following-up initial work on young runaways, and starting two new projects on educational attainment of children in care, and transport and social exclusion.

CHAPTER 1

SOCIAL EXCLUSION AND WHY IT MATTERS

The Government has given priority to tackling social exclusion. This chapter explains what social exclusion is, the scale of the problem and who is at risk.

What is social exclusion?

- 1.1 One of the things which has marked this country out in comparison with the rest of Europe is its high level of social exclusion.
- 1.2 Social exclusion is a relatively new term in British policy debate. It includes poverty and low income, but is broader and addresses some of the wider causes and consequences of poverty. The Government has defined social exclusion as:

‘a shorthand term for what can happen when people or areas suffer from a combination of linked problems such as unemployment, poor skills, low incomes, poor housing, high crime, bad health and family breakdown’.
- 1.3 This is a deliberately flexible definition, and the problems listed are only examples. Many other dimensions of exclusion could be added.
- 1.4 The most important characteristic of social exclusion is that these problems are linked and mutually reinforcing, and can combine to create a complex and fast-moving vicious cycle. Only when this process is properly understood and addressed will policies really be effective. The box below gives some examples.

Rough sleepers	<ul style="list-style-type: none">■ 30–50 per cent suffer from mental health problems;³■ only 38 per cent have any educational qualifications;⁴■ up to 50 per cent have a serious alcohol problem;⁵ and■ up to 80 per cent have drug problems.⁶
Young runaways	<p>Compared with those who do not run away:</p> <ul style="list-style-type: none">■ three times more likely to be regular truants;■ twice as likely to have been excluded from school;■ one and a half times more likely to come from a workless household;■ five times more likely to have problems with drugs; and■ three times more likely to have been in trouble with the police.⁷
Prisoners	<ul style="list-style-type: none">■ 56 per cent of prisoners are unemployed before sentencing;⁸■ 50 per cent have poor reading skills, 80 per cent have poor writing skills and 67 per cent have poor numeracy skills;⁹■ 38 per cent will be homeless on release;¹⁰■ 47 per cent of prisoners are in debt at time of sentence;¹¹ and■ 66 per cent of prisoners admit to use of drugs (other than alcohol) in the year before imprisonment.¹²

How many people are socially excluded?

- 1.5** Although there is no agreed way of measuring overall social exclusion, it is possible to give an idea of the scale of different forms of exclusion:
- **a fraction of one per cent** of the relevant population¹³ is affected by the most extreme forms of multiple deprivation (e.g. becoming pregnant under 16,¹⁴ being excluded from school,¹⁵ sleeping rough¹⁶);
 - almost **ten per cent** suffer significant problems, e.g. nine per cent of 16–18s were not in learning or work in 1997;¹⁷ ten per cent of young men aged 18–24 are alcohol dependent,¹⁸ seven per cent of men born in 1953 had served a prison sentence by the age of 46.¹⁹ Many of these groups have suffered more than one of these problems; and
 - as many as **a third** or more are in some way at risk, e.g. by 1994/95, one in three children were growing up in low income households,²⁰ one in three men have a criminal record by age 30.²¹

These figures represent just a snapshot of people's experiences. They conceal the fact that some people may experience persistent or repeated problems, while others may suffer temporary problems. For instance, while the poverty rate²² was 12.7 per cent in 1990/91 and 14.5 per cent in 1993/94, over 36 per cent were poor in at least one year between 1990 and 1994, and seven per cent were poor in every year.²³

JOSEPH

Joseph is in his late seventies and has been sleeping out for a number of years. He has mental health problems but no diagnosable mental illness. He wanders around central London during the day and is extremely suspicious of services and offers of help. It has taken the Contact Assessment Team (CAT) several months to locate Joseph because he uses a site below ground level and hidden from view from the pavement. He has only once agreed to be taken to a temporary shelter but refused to take a bed, feeling threatened by the environment. The CAT has agreed with him that he needs specialist supported accommodation with people of his own age. A suitable long-care hostel has been identified, but it will take a number of viewings and considerable coaxing before he accepts. Meantime he continues his solitary and lonely rough sleeping.

Who becomes socially excluded?

- 1.6** Social exclusion is something that *can* happen to anyone. But some people are significantly more at risk than others. Research has found that people with certain backgrounds and experiences are disproportionately likely to suffer social exclusion. The key risk factors include: low income; family conflict; being in care; school problems; being an ex-prisoner; being from an ethnic minority; living in a deprived neighbourhood in urban and rural areas; mental health problems, age and disability.
- 1.7** For example, those who grow up in **low income households** are more likely to end up unemployed, spending time in prison (men) or as a lone parent (women).²⁴
- 1.8** Children who have suffered from some form of **family conflict** are at a greater risk of homelessness, running away, offending and drug use.²⁵

1.9 Young people who have been **in care** are disproportionately likely to:

- leave school without qualifications (75 per cent compared with six per cent national average);
- become unemployed;
- become teenage parents (two and a half times the average risk);
- end up in prison (26 per cent of prisoners have been in care as children, compared with just two per cent of the total population); and
- end up homeless (between a quarter and a third of rough sleepers have been looked after by local authorities as children²⁶).

SARAH

Sarah is a 27 year old from south London living in a temporary bedsit with her two year old daughter. Her own unsettled childhood and adolescence was spent in foster homes and children's homes after she suffered physical abuse and she had not attended school since she was 14. She now suffers from mental health problems as well as having difficulties with drugs and alcohol. Her daughter's father is in prison serving a life sentence for murder and she too has a conviction for assault. Sarah is now pregnant for a second time and although she thinks the relationship with her new partner is stable she is uncertain about how she will cope in the future.

1.10 People who have had **problems at school** are more likely to become socially excluded. For example:

- a Centrepont study found that over three-quarters of young homeless teenagers were either long-term non-attenders or had been excluded from school;²⁷
- in one survey of teenage mothers in south London, nearly 40 per cent had left school with no qualifications, compared with a national average of six per cent;²⁸ and
- over 60 per cent of prisoners have been permanently excluded from school at some point, compared to less than 0.2 per cent of the wider population.²⁹ And the National Prison Survey found that 30 per cent of prisoners said they mostly played truant after age 11, compared with three per cent of the general population.³⁰

MICHAEL

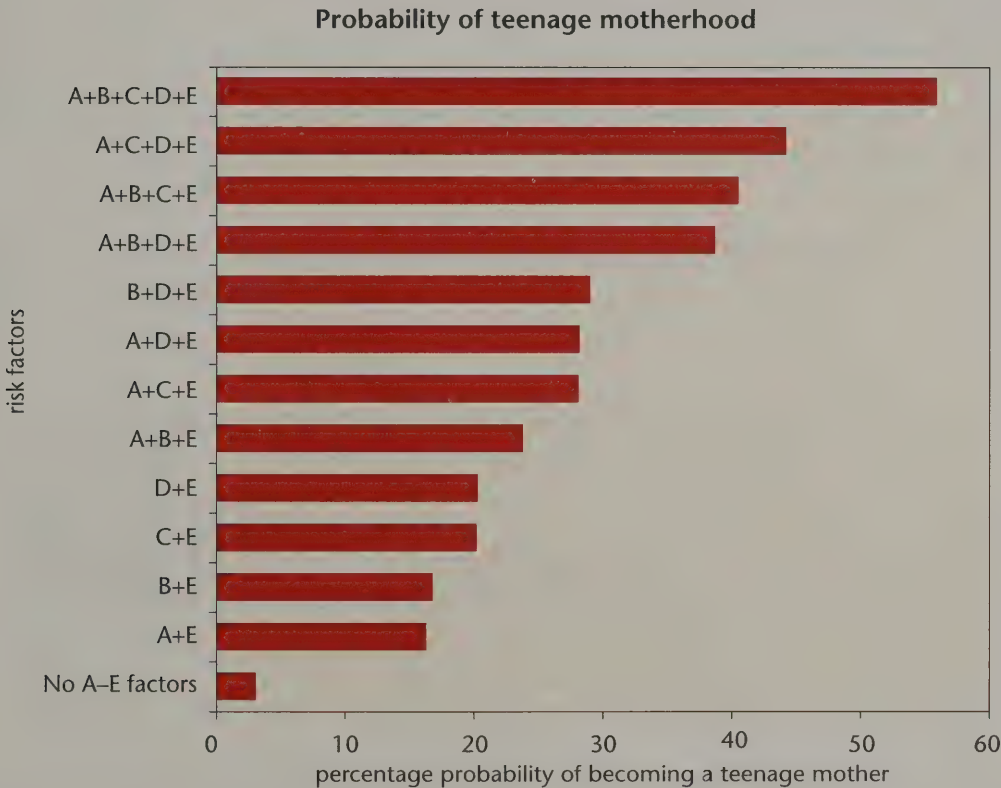
Several members of Michael's family have a criminal record. He is currently long-term excluded from his third school. He does not keep his appointments with the Educational Welfare Service. He is given £1 dinner money a day and told to keep out of the house. He lives with his step-father who is unemployed. His step-father says he can't control Michael's aggressive and anti-social behaviour. Michael's biological father on the other hand does not challenge it. Michael drinks and smokes cannabis from time to time. Michael is ten.

1.11 Some **older people** are at risk of social exclusion. Many are at disproportionate risk of falling into poverty³¹ and are subject to discrimination in employment.³² Many rely on public transport and research has shown that a lack of mobility can prevent older people from participating in social activities and lead to low morale, depression and loneliness.³³

1.12 People from some **minority ethnic communities** are disproportionately exposed to risk of social exclusion. For example:

- they are more likely than others to live in deprived areas and in unpopular and overcrowded housing;
- they are also more likely to be poor and to be unemployed, regardless of age, sex, qualifications and place of residence;
- Pakistani, Bangladeshi and African-Caribbean people are more likely to report suffering ill-health than white people; and
- as a group, people from ethnic minorities are as well qualified as white people, but, despite recent improvement, some black and Asian groups do not do as well at school as others, and African-Caribbean pupils are disproportionately excluded from school.

1.13 The chart below shows how the risk of social exclusion (represented in this case by teenage pregnancy) rises sharply with every additional risk factor.³⁴



- A: emotional problems at 7 or 16
- B: mother was a teenage mother
- C: family experienced financial adversity when young person was aged 7 or 16
- D: a preference for being a young mother
- E: low educational attainment at 16

1.14 Risk factors can also operate across the generations:

- 34 per cent of sons and 37 per cent of daughters of men with the lowest quarter of earnings also end up in the lowest quarter. Only 13 per cent of their sons and 12 per cent of their daughters end up in the top quarter;³⁵

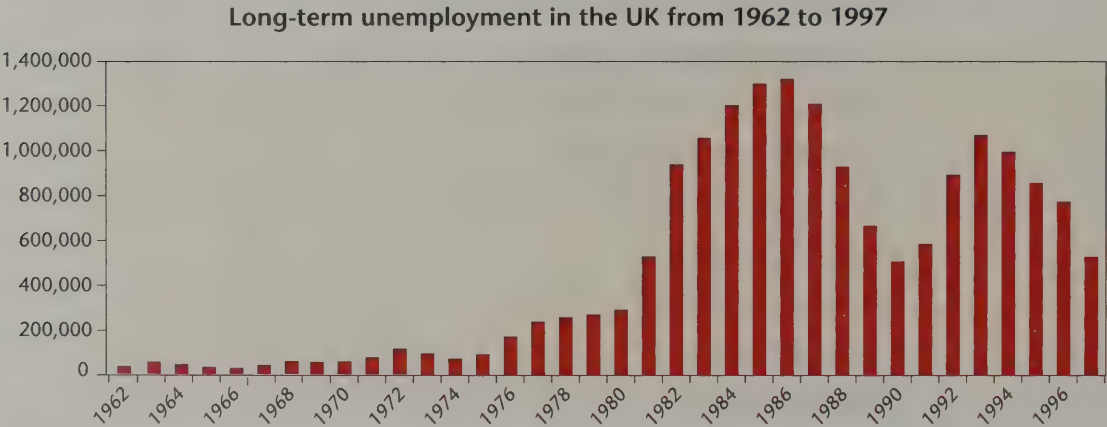
- the daughter of a teen mother is one and a half times more likely to become one herself than the daughter of an older mother;³⁶
- at age 16, children have significantly worse school attendance records if their father was unemployed when they were age seven;³⁷
- during the 1980s, young men aged 23 to 33 were twice as likely to be unemployed for at least one year if their father had been unemployed at age 16;³⁸ and
- research shows that by age 22 months, children whose parents stayed on at school beyond minimum leaving age have on average developed significantly faster than those whose parents both left school at minimum leaving age.³⁹

Trends in this country

1.15 In the 1980s and the early 1990s, social exclusion intensified in this country in a variety of different ways, described below.

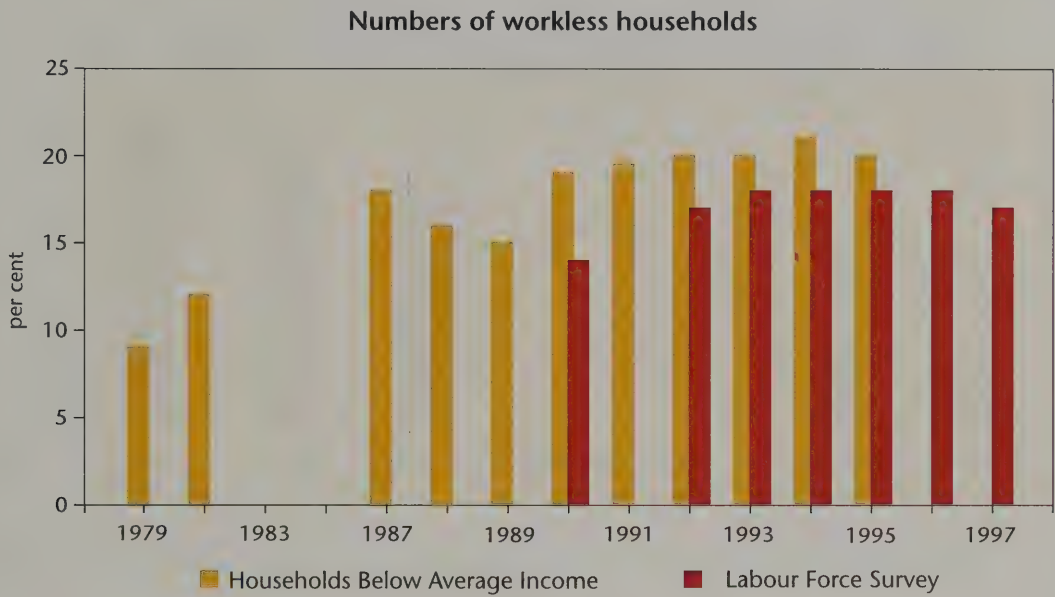
Long-term unemployment

1.16 The chart below⁴⁰ demonstrates that overall long-term unemployment has been much higher in the 1980s and 1990s than in previous decades, and has had some significant peaks.



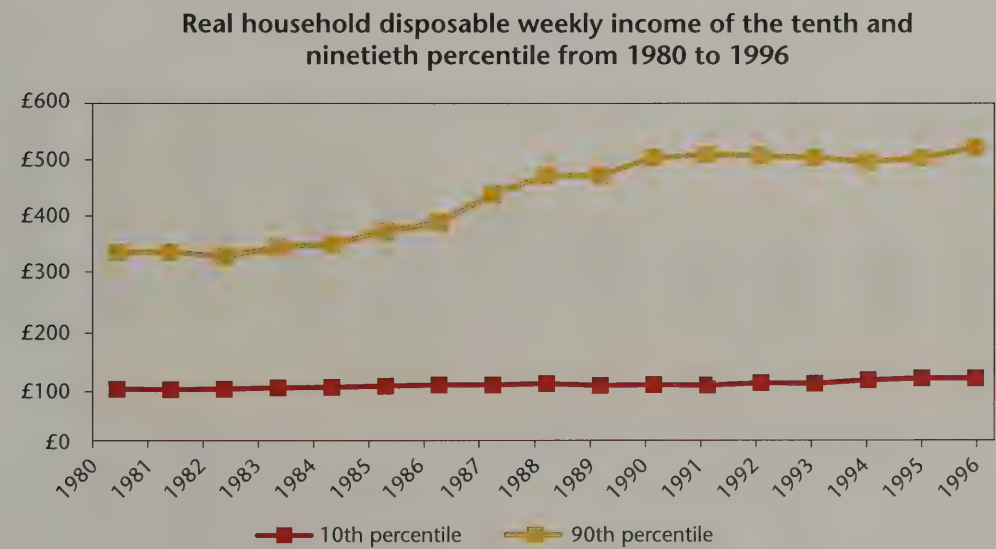
Workless households

1.17 The chart below⁴¹ shows how the number of workless households increased between the late 1970s and early 1990s.



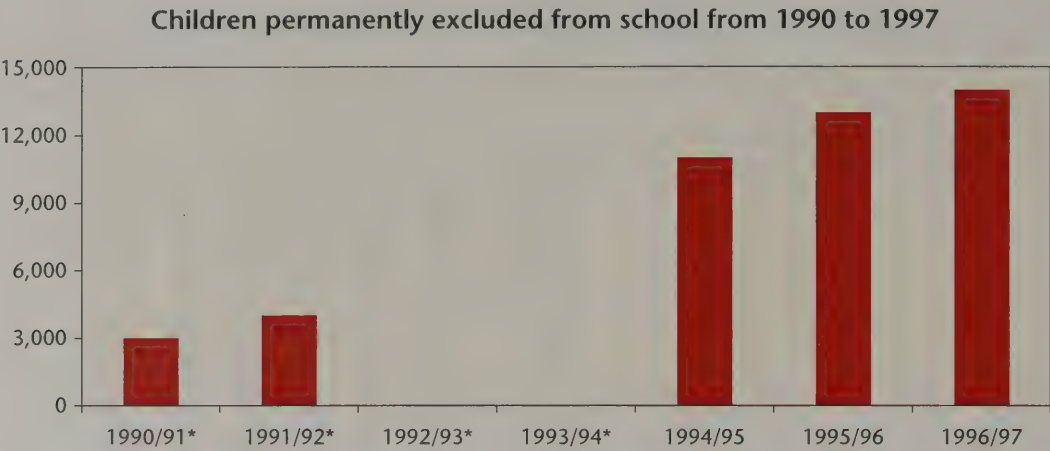
Income inequality

1.18 This chart⁴² shows that while income rose in the 1980s and 1990s, the gap between the richest and the poorest grew substantially.



Exclusion from school

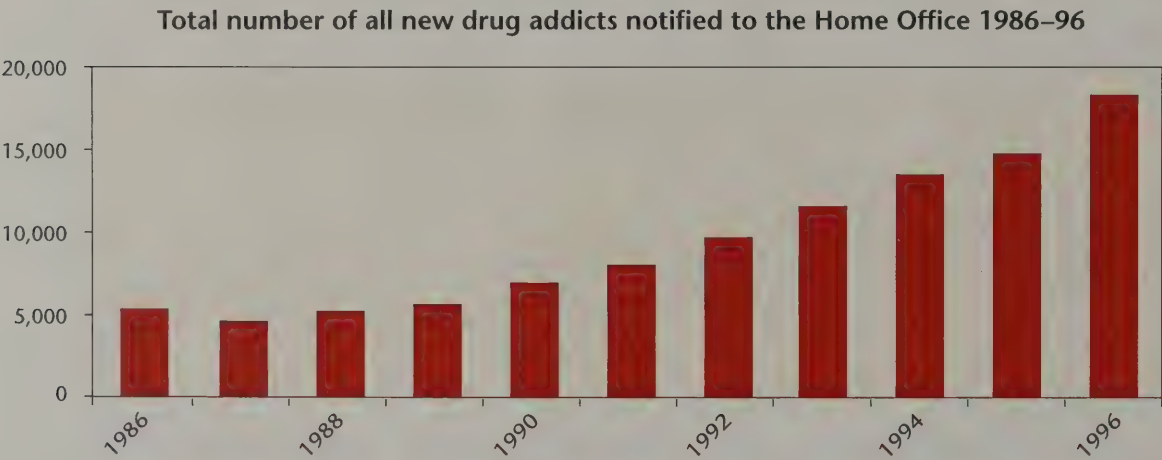
1.19 The chart below⁴³ shows how the numbers of recorded exclusions from school rose between 1990/91 and 1996/97.



*The figures for 1990/91 and 1991/92 were collected on a voluntary basis, and are likely to be underestimated. No figures are available for 1992/93 and 1993/94. The figures for 1996/97 are estimates based on a sample of Local Education Authorities.

Drugs

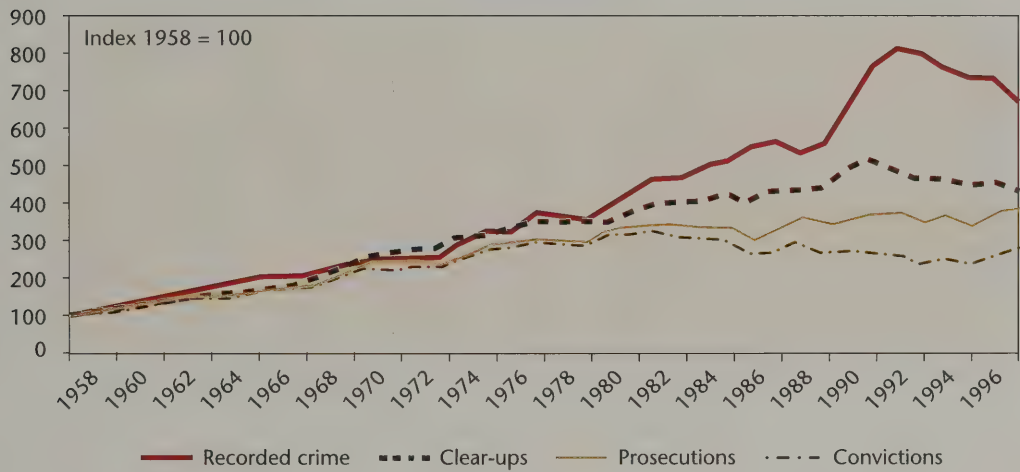
1.20 The chart below⁴⁴ shows the dramatic increase in numbers of new drug addicts in the late 1980s and 1990s.



Crime

1.21 The chart below⁴⁵ shows that although there was a steady increase in recorded crime since the 1950s the numbers increased sharply in the late 1980s until the mid-1990s. In the same period the total number of clear-ups did not keep pace with the total number of crimes.

Recorded crime levels and conviction levels in England and Wales from 1958 until 1997



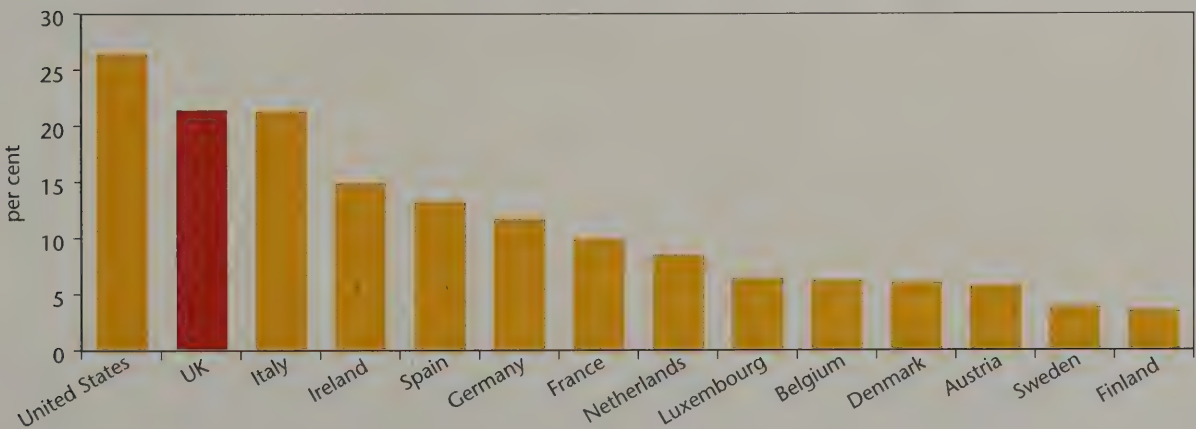
International comparisons

1.22 The situation in this country is marked in comparison with other EU countries. This section highlights some of the key indicators on which this country ranks poorly compared with other nations.

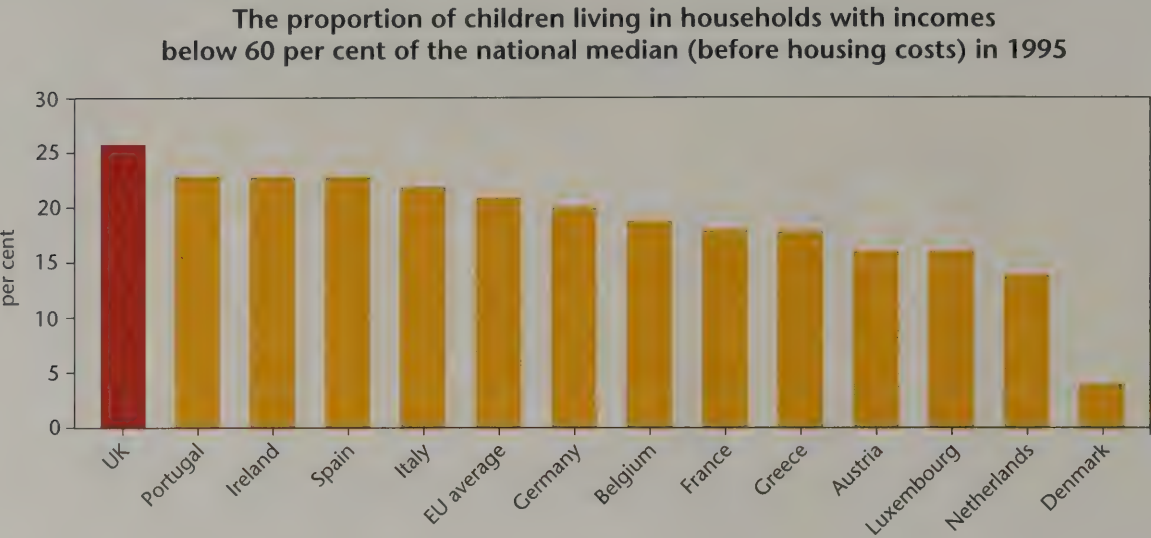
Children living in low income households

1.23 The two charts below demonstrate that the UK performed poorly compared with the countries on both absolute and relative measures of poverty. The first chart⁴⁶ uses an absolute measure – the US official poverty line.

The percentage of children living in households with incomes below the US official poverty line in 1995

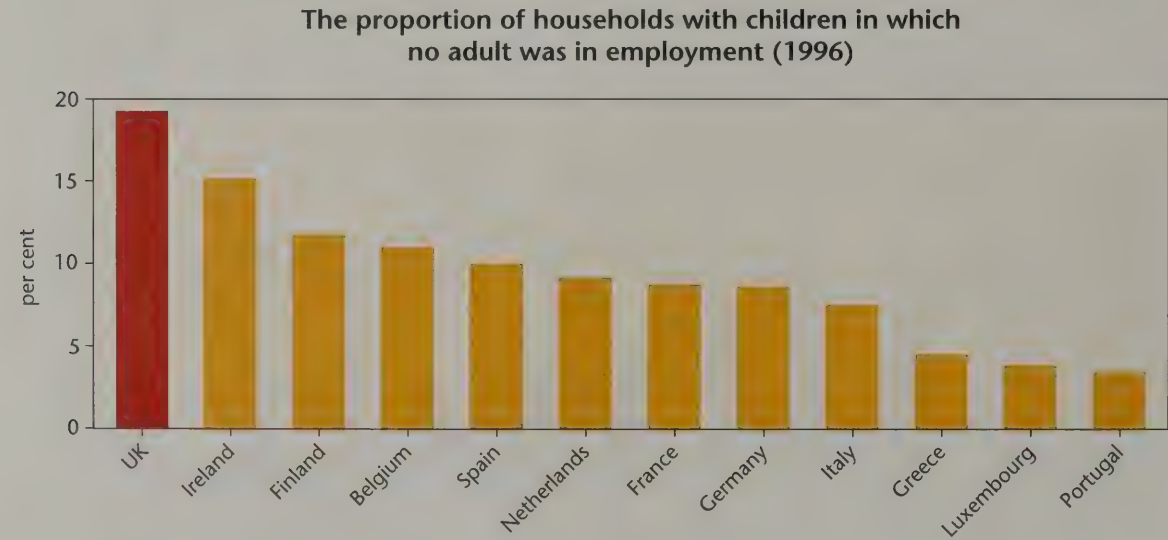


1.24 This second chart⁴⁷ uses a relative measure: the proportion of children in each EU country living in households with incomes below 60 per cent of the national median (before housing costs) in 1995. Between 1979 and the mid-1990s, numbers in the UK more than doubled.



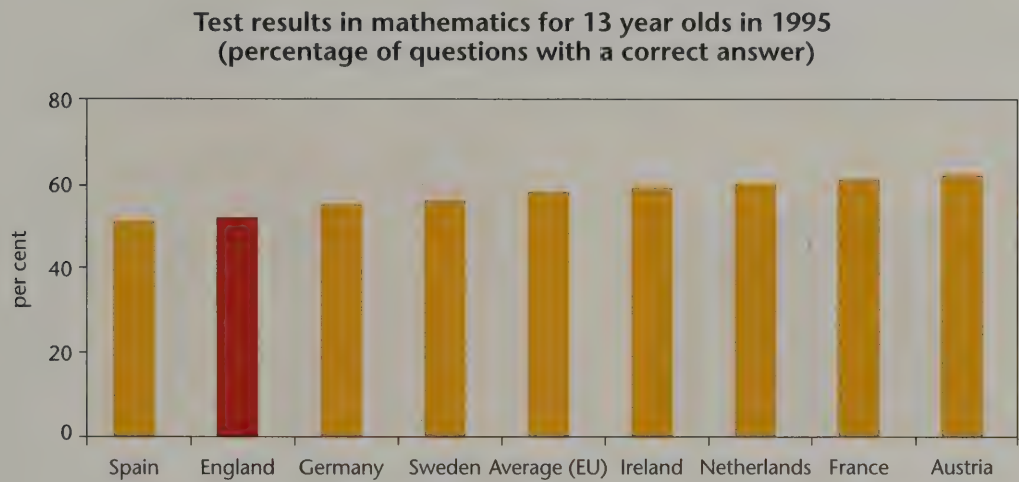
Workless households

1.25 The chart below⁴⁸ demonstrates that in 1996 the UK had a high proportion of households with children in which no adult was in employment.



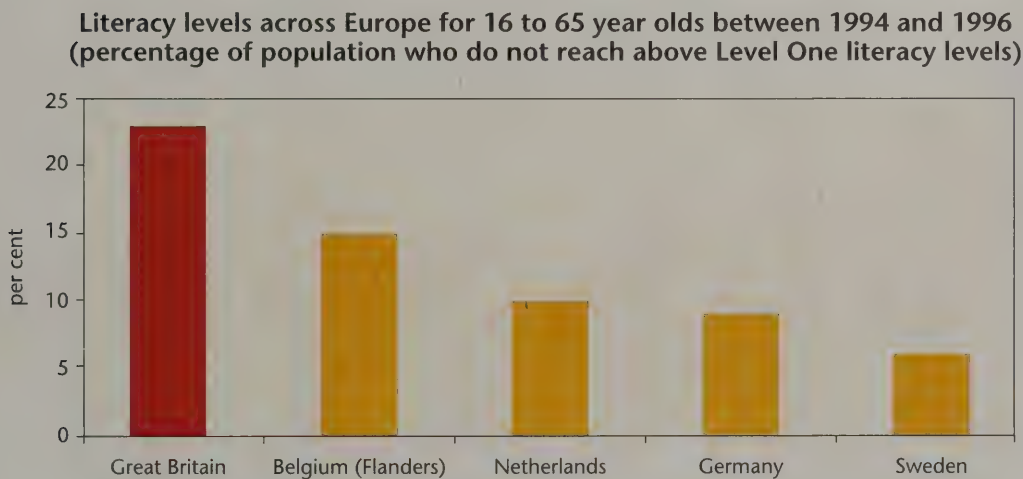
Numeracy

1.26 The chart below⁴⁹ shows how in 1995, maths results for 13 year olds in England were below the EU average.



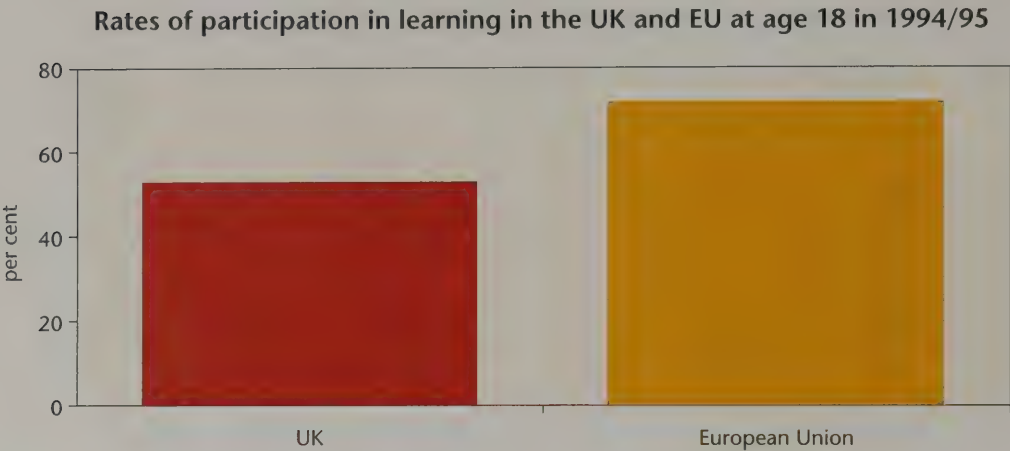
Adult literacy

1.27 The chart below⁵⁰ demonstrates that adults in Great Britain possessed lower levels of literacy than many other EU countries between 1994 and 1996. The chart illustrates that 23 per cent of adults in Great Britain were only able to reach Level One literacy levels (the standard expected of an 11 year old). This is compared with nine per cent in Germany.



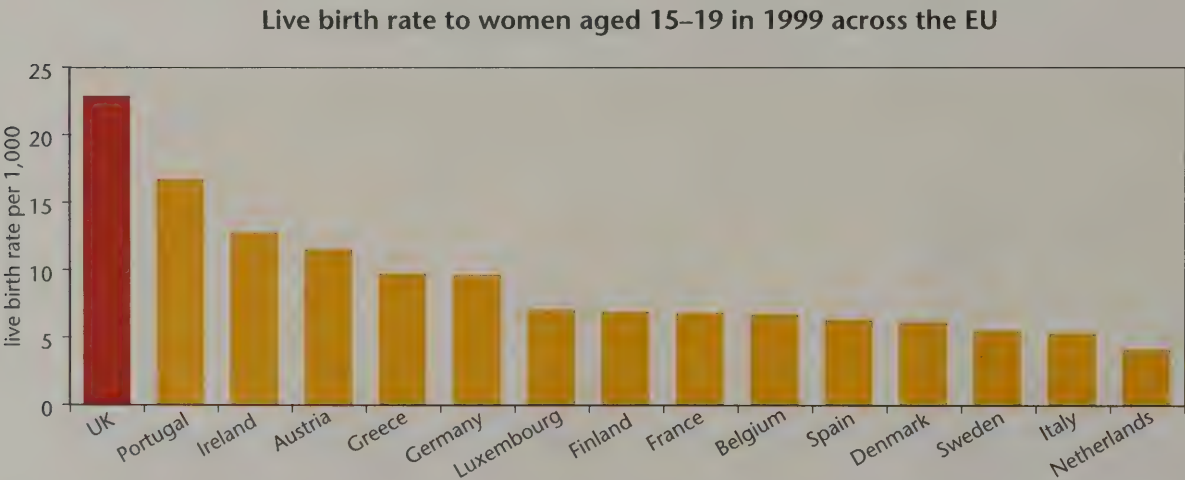
18 year olds in learning

1.28 The chart below⁵¹ sets out the percentage of young people participating in learning at age 18 in the UK in comparison with the EU in 1994/95. It illustrates that the UK suffered from lower rates of participation in learning at age 18 compared with the EU average.



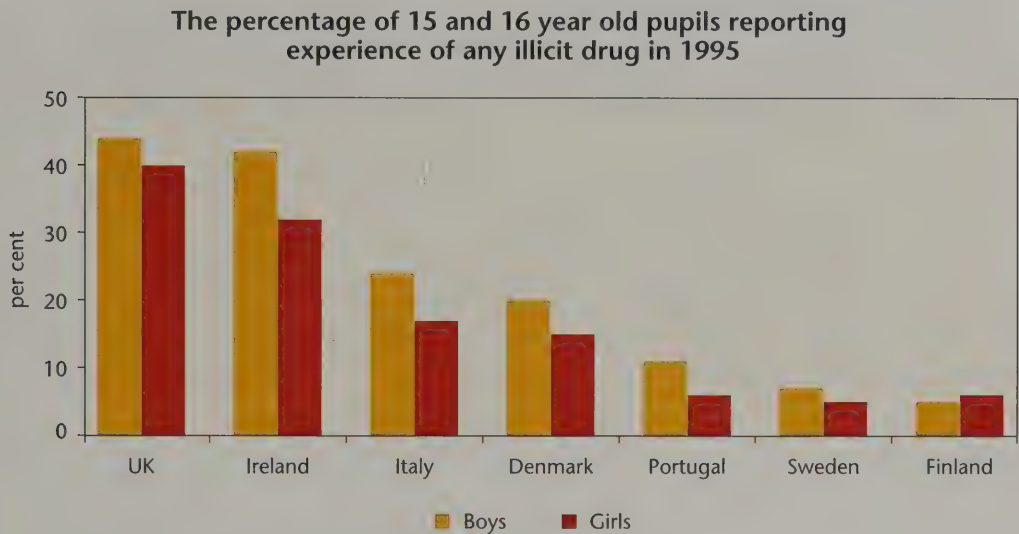
Teenage births

1.29 This chart⁵² describes numbers of new teenage mothers per thousand aged 15–19 in 1999. The UK had by far the highest rate amongst European Union countries.



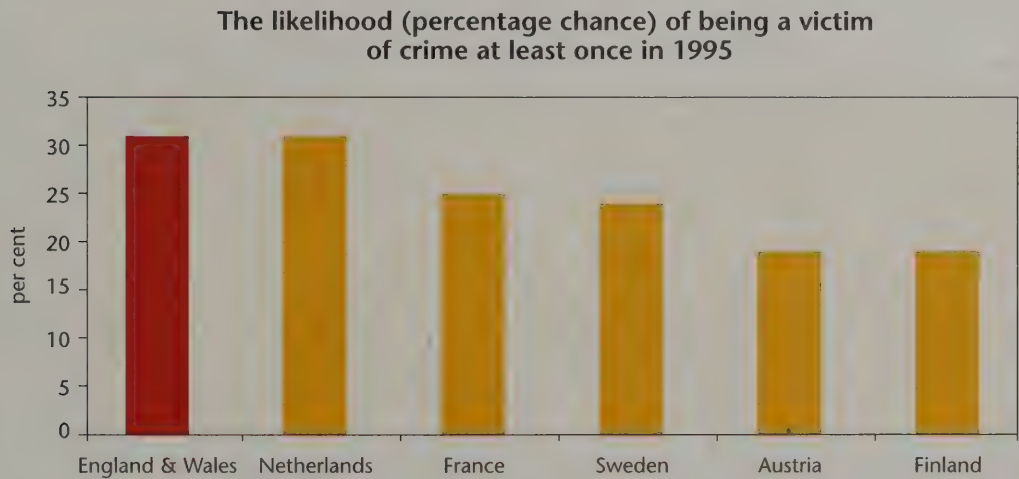
Drug use

1.30 Young people in the UK were more likely to say they have used drugs than their counterparts overseas in 1995, as illustrated in the chart below.⁵³



Crime

1.31 The chart below⁵⁴ demonstrates the percentage chance of being a victim of crime across a range of countries in 1995. The chart shows that you had a five percentage point higher chance of being a victim of crime in England and Wales than in France.



1.32 The statistics in this chapter illustrate the shape and scale of the situation that had developed in the 1980s and 1990s. But, for a full picture of the impact of social exclusion, it is important also to take account of its huge costs to individuals and to wider society. These costs are described in Chapter 2.

CHAPTER 2

COSTS

This chapter sets out the economic and social costs of social exclusion.

The costs of social exclusion

- 2.1** One of the reasons the Government has made tackling social exclusion a priority is because of the huge costs – both human and financial – it imposes both on people directly affected and on the economy and society at large.

Cost to individuals

- 2.2** Social exclusion has huge costs for the individuals, groups and areas that experience it. These include:

- **underachieving educational potential.** A teenager from a deprived neighbourhood is five times more likely to go to a failing school⁵⁵ and less likely to achieve good qualifications;⁵⁶
- **financial loss.** Socially excluded groups are more likely to be on benefit or in low paid work. The weekly opportunity cost to a young person of not working has been estimated at £143.10 for men and £128.10 for women;⁵⁷
- **poor access to services.** Socially excluded groups face significantly poorer access to services both from the public sector (for example, poor areas have fewer GPs per head⁵⁸) and the private sector (such as financial and legal services,⁵⁹ and shops⁶⁰). For example, research in the mid 1990s estimated that 1.5 million households used no financial services,⁶¹ and in one Scottish low-income housing estate flooded in the winter of 1994, it emerged that 95 per cent of the tenants were not insured;⁶²
- **stress.** Socially excluded groups usually face significantly higher levels of stress and mental health problems,^{63, 64} not surprisingly given their risk of social isolation and the difficulties of managing on low incomes and in high crime environments;
- **health.** Social exclusion can lead to poorer physical health, through poor diet, lack of opportunities for exercise, or higher rates of smoking and drug use;⁶⁵ and
- **lack of hope.** Many people who are socially excluded feel little hope for the future, especially if barriers such as disability or health problems, lack of transport, low skills, discrimination, or few local jobs limit the opportunities to work or participate in society in other ways. This feeling may be exacerbated by fear that the prospects for their children may be no better.

Social costs

2.3 High levels of exclusion also impose indirect social costs on the whole population. These costs include:

- **reduced social cohesion** as different areas, generations and minority ethnic communities are divided by radically different life chances;
- **higher crime and fear of crime**, for which social exclusion is a key driver;
- **extra pressure on people working with excluded groups**; and
- **reduced mobility**, as vulnerable people avoid certain parts of town or feel intimidated – rightly or wrongly (e.g. by groups of young people, beggars).

Costs to the taxpayer

2.4 Social exclusion is undoubtedly one of the key upward pressures on public spending. Costs arise in a range of areas: benefits; costs of health care; support services for those who are excluded; the cost of crime and drugs; as well as the tax that would be paid if socially excluded groups were off benefit or in higher paid work.

2.5 It is hard to put precise figures on these costs, not all of which are wholly attributable to social exclusion. The following serve only as examples of the magnitudes involved:

- the overall cost of crime to the UK economy has been estimated at £60 billion per year;⁶⁶
- the cost to society of serious young offenders aged 15–17 who end up in custody is estimated to be at least £75,000 per offender, adding up to a total minimum cost of approximately £175 million to the exchequer just for those in custody;⁶⁷
- the annual cost of school exclusions to the public services has been estimated at £406 million;⁶⁸
- teenage mothers receive £116 million in benefits a year;⁶⁹
- the cost to the exchequer of problematic drug misuse has been estimated at between £3.2 billion and £3.7 billion;⁷⁰ and
- for every homeless person staying in hospital because they have no other accommodation, the country spends £900–£1,000 per week.⁷¹

Costs to business

- 2.6** Social exclusion not only accounts for a large chunk of public spending; but by trapping individuals and families in poverty, it also affects business through:
- lack of skilled workers: widespread educational underachievement and shortages of relevant skills having a direct impact on the supply of talented individuals in the workforce;
 - lack of customers: with low income or benefit dependency reducing the nation's spending power;
 - lack of entrepreneurs: to prosper in the modern economy the nation needs as many people as possible to be entrepreneurial and innovative; and
 - greater tax burden on business reflecting the costs of social failure.
- 2.7** Reducing social exclusion now and preventing it in future will cut the financial cost to society and leave individuals better off. But to tackle exclusion effectively, it is important first to understand why it had become so pronounced.

CHAPTER 3

CAUSES

This chapter discusses the economic and social drivers of social exclusion, and how Government policies and public sector ways of working have contributed to them.

3.1 Work by the Social Exclusion Unit and others has looked in detail at the causes of this country's high levels of social exclusion. The overall conclusion has been that two sets of factors are at work:

- economic and social changes; and
- weaknesses in Government policies, working methods and co-ordination.

Economic and social change

3.2 The **economic** changes that have driven social exclusion include the following:

- a more open global economy that has meant more competition and the need to continually update skills;
- the decline in the importance and scale of traditional industries such as manufacturing and mining; and
- the growth of knowledge-based industries that require higher levels of qualifications.

3.3 These changes have created a more uncertain world for today's and tomorrow's workers and put an even higher premium on acquiring skills and keeping them up to date. This means higher risks that some people will be left behind or excluded altogether.

3.4 At the same time **wider changes in society** have weakened or removed some of the support systems that helped people cope in the past:

- more young people have grown up in lone parent households,⁷² which are disproportionately likely to be on a low income;
- many more people have experienced breakdown in their parents' relationship and/or their own,⁷³ which can leave them less well equipped to cope with other difficulties they may face; and
- communities have become more polarised and fragmented,⁷⁴ so that, for example, poor and unemployed people are less likely to live in a community where others might be able to put them in touch with a job.

Government policies

- 3.5** In the past, Government policies and structures have not coped well with helping people adapt to economic and social changes. Some of the reasons for this failure are specific to the nature of social exclusion. Others are more general difficulties in public services.

Problems specific to social exclusion

- 3.6** Many social exclusion issues cross the boundaries between services and Departments. This has a number of consequences, for example:

- **'orphan' issues.** Many of the problems tackled by the Social Exclusion Unit have been exacerbated in the past because no-one was in charge of solving them – either in Government or on the ground. These include some very specific issues, like rough sleeping and young people running away, as well as some much bigger ones like youth policy and turning around deprived neighbourhoods;
- **lack of 'joining up'.** Some services have been less effective because they are dealing with problems whose causes are partly outside of their remit. For example, youth crime cannot be tackled effectively without reducing truancy. Efforts to help lone parents into work will fail if adequate childcare is not available;
- **perverse effects.** Sometimes policies in one area can have a negative impact on others. For example, the policy that local authorities need not be responsible for children in care beyond 16 left many vulnerable to homelessness, isolation and unemployment; and
- **duplication.** With many organisations and Departments involved in an issue, efforts can end up being duplicated. For example, before 1998 there were five different streams of Government funding for helping rough sleepers in London, all with good intentions, but creating difficulties in joining up housing, drug, mental health and alcohol funding on the ground.

Broader problems

- 3.7** Attempts to tackle social exclusion in the past also suffered from some of the more general difficulties that can affect any Government programme. These include:
- insufficient emphasis on working in **partnership** with businesses, local government, service providers, communities, and voluntary and faith groups, all of which have a huge amount to contribute;
 - a focus on processes rather than on **outcomes**;
 - a tendency to look at **averages** which can mask the worsening position of those at the bottom;
 - relying on **short-term** programmes, rather than sustained investment;
 - focusing on the needs of service providers rather than the needs of their **clients**. This is a particular problem for the socially excluded, because they face multiple problems and can end up being passed from agency to agency;
 - imposing **top-down** solutions, rather than learning from individuals and communities, and harnessing their enthusiasm;
 - weaknesses in the collection and use of **evidence**, whether statistics about the scale of the problem or evaluation of what works here and abroad; and

- failure to match **rights and responsibilities**, with a passive welfare state that sometimes trapped people on benefits rather than enabling them to help themselves.

3.8 The cumulative effect of these factors led to weaknesses in prevention, reintegration and the delivery of basic minimum standards:

- there was no concerted **preventive** action by Government to try to reduce the known risk of social exclusion for certain groups such as those expelled from school, leaving care, living on low incomes, or leaving prisons;
- there was a lack of joined-up action to help people **reintegrate** when they hit a problem. Unemployed people were not routinely given help to re-skill and acquire work experience. Teenage mothers were often forgotten by the education system, and propelled into life on their own rather than into supported housing, and without childcare to allow them to go back to learning or a job; and
- efforts to deliver **basic minimum standards** were hampered because there were no national targets to improve the low standards of education, crime fighting and health for the poorest areas, or to tackle exclusion from private sector services such as banking.

3.9 The following chapter shows how the Government has worked with partners to start to address these issues.

CHAPTER 4

A NEW APPROACH

The Government has worked with its partners to tackle social exclusion through the work of many Departments and the Social Exclusion Unit. It has identified three key objectives to all this work: **preventing** those at special risk from becoming excluded, **reintegrating** those who have become excluded and improvement of **basic service standards** so that they are more inclusive. This fundamental change of approach is grounded in new ways of working.

Goals

- 4.1 To deal with social exclusion, the Government has taken a strategic approach that has involved all of its key partners outside Whitehall.
- 4.2 Tackling social exclusion has been a priority in **Budgets and Spending Reviews**. The Government has committed itself to annual reporting on its anti-poverty strategy through *Opportunity for All*. And the **Social Exclusion Unit** has co-ordinated policy-making on specified cross-cutting topics such as school exclusion, rough sleeping, teenage pregnancy, youth at risk and deprived neighbourhoods.
- 4.3 The Government's three goals for tackling social exclusion are:
 - **preventing** social exclusion happening in the first place – by reducing risk factors and acting with those who are already at risk;
 - **reintegrating** those who become excluded back into society; and
 - delivering **basic minimum standards** to everyone – in health, education, in-work income, employment and tackling crime – using ambitious targets and extra resources.
- 4.4 A crucial first step was providing a sound economy and reduced public borrowing. This was an essential platform for investing in ambitious goals and programmes designed to improve the situation of socially excluded people and places.
- 4.5 And action to tackle social exclusion has been one example of a new approach to policy making, as part of the **Modernising Government** process. In particular there has been a focus on better co-ordination between Departments, more strategic approaches, better use of evidence, more partnership working and a bottom-up approach that empowers individuals and communities to help themselves.

Prevention

- 4.6** This Government decided to make a priority of investment in preventing social exclusion by focusing on the groups at disproportionate risk and the events that can often trigger problems. Early priorities have been:
- ensuring a **decent family income**, with work for those who can and extra support for those who cannot, through policies such as the New Deal, Minimum Wage, Working Families Tax Credit, the Minimum Income Guarantee and the State Second Pension;
 - supporting **families** and the early development of children through targeted interventions such as Sure Start and the Children's Fund;
 - raising standards in **schools** and making it less likely that children miss out through exclusion, truancy, not being motivated, or not being able to afford to stay on after 16;
 - improving the experience of **local authority care**, and helping care leavers, through Quality Protects;
 - making it less likely that people become **parents in their teens**, or if they do, helping them to get back into learning and work;
 - preventing **crime** through the Crime Reduction programme, Crime and Disorder Reduction Partnerships and innovations such as neighbourhood wardens;
 - acting on the **routes into homelessness**, not just from the care system but also from the Armed Forces and prison; and
 - putting **building blocks for economic opportunity** in place by boosting regional capacity for innovation, enterprise, know-how and skills development.

SPACES – Single Persons' Accommodation for the Ex-Services, Catterick

Work with rough sleepers has established that many became homeless after leaving the Armed Forces. SPACES, funded by the Rough Sleepers Unit, has been set up to help Forces personnel find a home and offer them ongoing support while they make the transition back to civilian life. This includes the safety net of the SPACES 'Future Contact' card with a freephone number. Since it was launched in September 2000, SPACES has received 132 applications from Forces personnel needing support. It has offered a range of advice and assistance, including arranging accommodation in 30 cases when links with family and other networks have not been maintained after discharge.

Reintegration

- 4.7** *Action to prevent exclusion* lays the foundation for less social exclusion overall. But action is also needed to help those who are already excluded. Too many people have been written off as a result of something going wrong in their lives or because of where they live. Creating routes back into society, and giving people a second chance is integral to the new approach. As with preventative action, this includes providing new chances for people on the basic issues like work and learning as well as co-ordinated action for specific circumstances like the teenage mother who needs childcare to continue her education.

4.8 Some examples of action to **reintegrate** people who have become excluded include:

- adult basic skills courses which can help the one in six adults⁷⁵ who have problems with basic literacy and numeracy and who missed learning first time round;
- new Drug Treatment Testing Orders under which serious drug misusers who commit crime to feed a drug habit may now, in some areas, receive a sentence in the community if they agree to drug treatment and regular testing;
- action to contact rough sleepers on the streets, to make sure they have access to services and to persuade them to come inside;
- the New Deal for Communities programme, under which partnerships in 39 very deprived areas between service providers and residents are delivering real improvements and change; and
- the Community Legal Service which is encouraging the introduction of outreach services for those groups poorly served by conventional legal services. For example, advice surgeries are being held in drug addiction centres, GPs' surgeries and community centres.

Geraldine Court – supported housing for families in Solihull

Geraldine Court, funded jointly by the local authority and Housing Corporation, offers self-contained supported flats in a small block on a Solihull housing estate to young families to help them make the transition into independent living. Parents – who are usually aged between 16 and 24 and often single mothers – take part in a support programme to give them the skills they need to live independently, like budgeting, healthy eating and parenting skills. They also get help and advice on how to get back into training, education and employment. The average stay is between five and 12 months.

Setting basic minimum standards

- 4.9** Underpinning action to *prevent* and *reintegrate* is the drive to deliver services and policies that provide at least **basic minimum standards** to everyone. In the past, rising standards of public services were sometimes not shared equally, with some people and places getting left behind. Now, for the first time the Government is also focusing on what happens where services are worst, backed with new information and targets.
- 4.10** Public services cost the country £400 billion each year. Making them work well for the most deprived groups and areas is a critical measure of their success. Budget measures, comprehensive spending reviews and floor targets have focused attention on improving delivery, in particular to young people and deprived areas. Measures include the following:
- national averages for services may hide wide variations. Targets set using averages ignore how bad the outcome could be for specific groups or areas. In the new approach used in the 2000 Spending Review, 'floor targets' set a minimum standard below which no service can drop in any area; for example, no Local Education Authority is to have fewer than 38 per cent of pupils achieving five GCSEs at A*–C by 2004. Other floor targets are set out in Annex F;⁷⁶
 - until 1999, children who were excluded from school had no legal right to full-time education and often received no education at all. From September 2002, the implementation of full-time out-of-school education for excluded young people will underpin the Government's commitment to full-time education for all;

- it has been estimated that nearly one in ten households have no current or savings account,⁷⁷ making paying bills and handling cheques difficult and more expensive. Since last year, following Treasury-led work on financial exclusion, all high street banks have offered a basic bank account; and
- access to health care is extremely difficult for those with limited English. But by 2004, interpretation will be available on all NHS premises through NHS Direct.

Cornlands Road Pupil Support Centre, York

Cornlands Road Pupil Support Centre, funded jointly by York LEA and DfEE, has recorded major successes with pupils who are struggling in mainstream education – including many who have been permanently excluded. Pupils at key stage 4 are given a choice of full-time GCSE study at school; work-related placements for part of the week; or vocational training at a Further Education College. As a result, every year 11 pupil in 1999 passed at least one GCSE and moved into education, training or employment. York LEA is providing full-time education (25 hours) for pupils outside school from this year and expects to see further improvement as a result.

Lisa was permanently excluded from school after a string of incidents and disruptive behaviour. Through Cornlands Road she was offered a work-related learning placement in a tourist information centre. It took a lot of negotiation and effort to get her attendance up to scratch but she did well on the placement. Lisa is now on a modern apprenticeship with a local travel agency which means she receives a training allowance as well as day release to college.

Achieving objectives: a Modernising Government approach

- 4.11** *Prevention, reintegration and basic minimum standards* are the foundations of an approach which will tackle the barriers to opportunity created by social exclusion.
- 4.12** But barriers will not be removed without some major shifts in the way people work. In developing new policies, the Government recognises it needs to learn from the mistakes of the past. Achieving these goals requires a new way of governing.
- the Government cannot tackle social exclusion by itself, but must work in **partnership** with key stakeholders to develop policies and deliver services. The Social Exclusion Unit has had staff and advisers from a wide range of sectors including many different Government Departments, local government, the voluntary sector, the police, the probation service, business and the research community. The neighbourhood renewal Policy Action Teams (described in Annex F) were made up of experts from inside and outside Government. Local Strategic Partnerships will bring local authorities together with businesses, communities, service providers and voluntary and faith groups at local level;

Businesses

As well as their roles in providing employment and services, businesses can play a key part in combating social exclusion by engaging in local initiatives. That is one of the reasons why the Prime Minister appointed a Minister for Corporate Social Responsibility in 2000, to co-ordinate activities across Government and promote the business case for improving companies' involvement in communities.

Thirty members of Policy Action Teams on neighbourhood renewal were from business. Business will be key players in Local Strategic Partnerships set up to regenerate deprived neighbourhoods and they already contribute money, time, expertise, enthusiasm and an entrepreneurial approach to specific projects to help develop skills, support local enterprise and tackle other aspects of social exclusion.

- many 'orphan' policies have been allocated a **clear lead**, through the establishment of co-ordinating units like the Children and Young People's Unit, the Neighbourhood Renewal Unit and the Rough Sleepers Unit;
- **joined-up** working between Departments and services is increasingly common, with many joint initiatives and programmes in place. Examples include Sure Start, the New Deal, and truancy sweeps that are operated jointly by Local Education Authorities and the police;
- **removing perverse effects**. Greater attention is being paid to ensuring that policies do not have unwelcome side effects, and where such effects are identified policies are modified to make sure they do not contribute further to the problem. For example, rough sleepers now qualify for the New Deal automatically, regardless of how long they have been unemployed; care leavers are now entitled to support from local authorities until they are 21, and are recognised as 'vulnerable' by local authority housing departments;
- **duplication** between policies and programmes has been reduced, for example by amalgamating the five separate funding streams for tackling rough sleeping in London that existed in 1998;
- there is now a greater focus on **outcomes** through clear standards and targets set out in Public Service Agreements;
- the introduction of '**floor targets**' should help to narrow the gap between services in deprived areas and the national average;
- a **long-term** approach is being embedded by setting ten-year targets for which Departments have clear lead responsibility, for example on teenage pregnancy and neighbourhood renewal;
- services are increasingly based around the needs of **clients**, with a single point of contact. A good example is the Connexions Service, which will provide young people with a Personal Adviser who will provide high quality information, guidance and advice;
- a **bottom-up approach** is being encouraged, with money being channelled direct to communities to support them in local decision making (the Community Empowerment Fund), in running small scale local projects (Community Chests) and to run services directly (Neighbourhood Management);

Churches and faith groups

Churches and faith groups have had a key role in tackling social exclusion for many years. Very often faith groups are able to draw in involvement from communities that might otherwise not find a voice. Government is keen to draw on this experience and develop effective ways of bringing faith groups' influence into play.

Many of the projects and ideas that are highlighted in reports by the Social Exclusion Unit have been developed or funded by sources with church links, such as the Children's Society, the Church Urban Fund and the North London Muslim Housing Association. Eleven members of Policy Action Teams on neighbourhood renewal were from faith groups.

- Departments are increasingly basing new policies on **evidence** of what works both here and in other countries. For example, Sure Start was based on a US model, the new approach to preventing teenage pregnancy drew heavily on international experience, as did the concept of Neighbourhood Wardens. A major investment is being made in up-to-date information, through Neighbourhood Statistics;⁷⁸ and

Policies to tackle social exclusion are the subject of increasing co-operation in Europe. In March 2000, the Lisbon Summit agreed that EU Member States would share best practice in this area. By June 2001, each Member State will put forward its national action plan for tackling poverty and social exclusion.

- policies increasingly involve both **rights and responsibilities**, matching new entitlements to help with a contribution from the individual to help themselves. Examples include the New Deal, where benefits can be removed if individuals refuse to take up a new opportunity, Individual Learning Accounts, where both Government and individuals contribute, and Education Maintenance Allowances which are conditional on students reaching certain levels of attendance and performance.

The Hub One Stop Shop for people in housing crisis, Bristol

Not knowing where to turn for help can be a major factor in leading to homelessness. People in housing crisis can often feel they are passed from pillar to post. By bringing together key agencies from the public and voluntary sectors into one centre to improve co-ordination, the Hub offers a quicker and more efficient client-focused service. Staff find that being located on one site helps to break down professional and cultural barriers and is a much more efficient way of working. Since it was set up in 1995, the Hub has helped more than 50,000 people in housing crisis.

Wired Wedmore, Somerset

Wired Wedmore is a community-led IT project that addresses the problems of isolation and access to Government services faced by many rural communities. Based in the hayloft of a local pub and funded with support from major IT companies and local government, Wired Wedmore has already trained 300 local people through its 'IT for the Terrified' programme. Driven forward by a dynamic local community, Wired Wedmore is delivering the Government services that local people want through IT.

CHAPTER 5

DELIVERY

The Government has taken steps, working with local government and partners in the community, voluntary and business sectors, towards achieving the three goals of preventing exclusion, reintegrating those who become excluded and ensuring basic minimum standards. There are some strong early results.

- 5.1** Many of the problems set out in previous chapters are deeply entrenched, and require long-term solutions. The long-term targets the Government has set in areas such as child poverty, neighbourhood renewal and teenage pregnancies reflect this. In many areas there is evidence that results are already being delivered. In some others, official statistics are not yet available to show the effect on the ground one way or another.
- 5.2** This chapter is all about delivery: how policies are having an effect on the ground by:
- preventing social exclusion;
 - reintegrating those who have become excluded; and
 - delivering basic minimum standards.
- 5.3** Most policies contribute to more than one of these three goals – the tables in each section show how. Policies are grouped by seven key themes to illustrate what is being achieved in communities around the country. The themes are:
- children, families and schools;
 - skills, jobs and income;
 - homes, neighbourhoods and communities;
 - race;
 - crime;
 - older people; and
 - health and disability.

Children, families and schools

	Prevention	Reintegration	Minimum basic standards
Sure Start	✓		
Support for parents	✓		✓
Children's Fund	✓	✓	
Literacy and Numeracy Strategies	✓		✓
Excellence in Cities	✓	✓	✓
Truancy and school exclusion	✓	✓	✓
Connexions Service	✓	✓	✓
Education Maintenance Allowance	✓	✓	✓
Teenage Pregnancy Strategy	✓	✓	✓
Access to childcare			✓
Children in care	✓		✓
Sport and culture	✓	✓	✓

- 5.4 Children, families and schools are fundamentally important in the fight against social exclusion. That is why the Government has pledged to eliminate child poverty in 20 years, and to halve it in ten.
- 5.5 The full range of services which the Government has invested in for children and young people is set out in *Tomorrow's Future: Building a Strategy for Children and Young People*,⁷⁹ launched in parallel with this report.
- 5.6 This section describes a range of policies designed to contribute to preventing exclusion by ensuring that children have a good start in life, reintegrating those who have become excluded, for example by providing education to those expelled from school and delivering high quality basic services for children and families.

Sure Start

- 5.7 American research suggests that for each \$1 invested in a pre-school child, the return to the taxpayer over time is \$7 saved.⁸⁰ But there was no programme in this country equivalent to the US 'Headstart' programme. That is why Sure Start was set up.
- 5.8 Locally-based Sure Start programmes offer extra support to pregnant women and families keen to learn about parenting skills, nurturing and the development of babies and pre-school children. Services include outreach, home visits and befriending; social support like mentoring and parenting information; primary and community health care; advice about child health and development; and services to support good quality play, learning and childcare.

- By January, there were 128 Sure Start programmes in areas covering 104,000 children
- 18 of these were led by voluntary sector partners
- By 2003/04, Government will have invested £1.4 billion in 500 programmes, reaching 400,000 under-4s in deprived areas.

The Sure Start Maternity Grant, which replaced the old maternity payment, was increased to £300 last year and will rise again from April 2002 to £500, five times the level in 1997.

Families

- 5.9** To support poorer families, the Government has extended the Maternity Allowance to women not earning enough to pay National Insurance.
- 5.10** The period for which statutory maternity pay can be received is being extended from 18 weeks to 26 weeks from April 2003. The rate of statutory maternity pay will increase from April 2002 from £60.20 a week to £75, rising further to £100 per week from April 2003.
- 5.11** Paid paternity leave of two weeks will be the right of every working father from 2003, and will be paid at the same rate as statutory maternity pay. Adoption leave will be paid for the same period and at the same rate as statutory maternity pay from 2003.

Children's Fund

- 5.12** Certain groups of children are particularly vulnerable to social exclusion. So the Government set up the Children's Fund to prevent poverty and disadvantage for children and young people. Aimed at 5 to 13 year olds at risk, its local partnerships will provide services like mentoring schemes, counselling, advice services and out-of-school activities. It is administered by the Children and Young People's Unit.

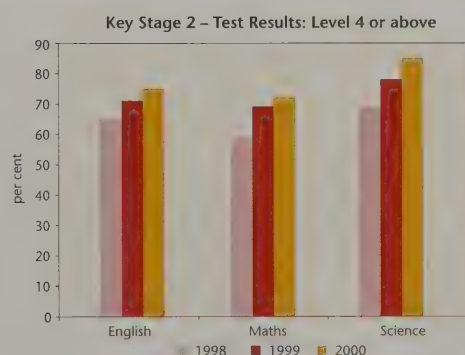
Improving children's basic skills

- 5.13** Poor skills leave adults vulnerable to social exclusion. So 'literacy and numeracy hours' have been introduced to deliver improved basic skills for children.
- 5.14** In National Curriculum tests last year, 11 year olds achieved higher standards than ever before in English, maths and science;⁸¹ and numeracy and literacy have improved more quickly in many of the most deprived areas than anywhere else.

The Home Office's Family Support Grant programme, set up to develop effective and accessible support for parents, has allocated funding of £4 million for 2001/02 to 38 voluntary organisations across the country. The Government is also funding the *Parentline Plus* national freephone helpline and parenting education work, and provides financial support for the National Family and Parenting Institute.

Following the report of an SEU-led Policy Action Team, the Prime Minister announced a new Cabinet Committee on Children and Young People's Services in August 2000, and the creation of a new cross-cutting Children and Young People's Unit, in the DfEE.

The Children's Fund is worth £450 million over three years. £70 million of this will be distributed direct to local community groups through a network of funds administered by the voluntary sector itself.



Excellence in Cities

5.15 The Government launched Excellence in Cities (EiC) in March 1999 to transform education in major cities. It has made a promising start:

- schools in its first phase are showing faster than average improvements in GCSE results;
- EiC programmes targeted at reducing truancy and school exclusions have also been successful; and
- by July 2001, there will be 1,500 learning mentors in secondary schools and 900 in primary schools. Mentors are school staff whose job it is to break barriers to effective learning whether inside or outside the school.

5.16 A target has been set to increase the percentage of pupils obtaining five or more GCSEs at A*–C, with at least 38 per cent to achieve this standard in every Local Education Authority (LEA), and at least 25 per cent in every school. There is also a target to increase by four percentage points the proportion of pupils achieving five GCSEs at A*–C between 2002 and 2004.

Truancy and school exclusion

5.17 Following an SEU report in 1998, a new approach has been adopted to tackling truancy and school exclusion. Changes include reducing unjustified exclusions, making sure that pupils who are excluded get full-time education, and providing more resources to support schools tackling truancy and exclusions.

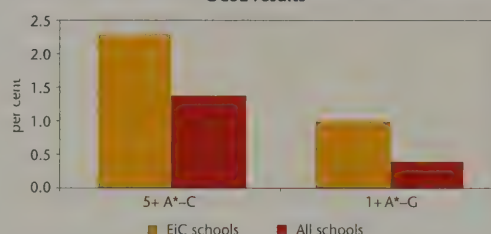
5.18 The national truancy rate has remained static since 1997. This is being addressed through more regular truancy sweeps and 'Truancy Buster' awards⁸² for schools that do well. Ofsted's report on attendance and behaviour⁸³ reinforces the principle that where behaviour is well-managed, and where policies and procedures are consistently enforced and reviewed, truancy rates can tumble dramatically.

5.19 Pupils at risk of exclusion will benefit from 1,000 on-site Learning Support Units that have been introduced to provide short-term teaching and support outside the classroom.

5.20 More details of this can be found in Annex B. Some of the key results are set out opposite.

Government is consulting on targets for 2004 that 85 per cent of 11 year olds should achieve Level 4 or above in each of English and maths and on a target that at least 35 per cent of 11 year olds reach Level 5.

Percentage point improvement between 1999 and 2000 GCSE results



The number of permanent exclusions has fallen – by 18 per cent between 1997 and 1999. Half-way into the four-year programme, half the final target has been achieved.

Exclusion rates of black children fell faster than white children between 1997/98 and 1998/99 – 18 per cent compared with 14 per cent.

Education provided for those who are excluded is also improving. In 2000, a third of Pupil Referral Units offered full-time provision for secondary pupils, and more than two-thirds offered 13 or more hours.

In York, when truancy sweeps were introduced 18 months ago, youth crime in school hours fell by two-thirds. And in Newham car crime fell by 70 per cent when sweeps were introduced.

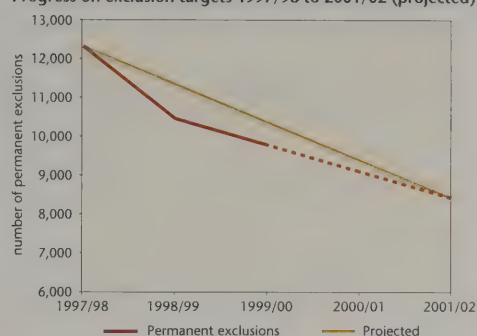
Connexions Service

- 5.21** Following an SEU report in 1999, the Government is introducing Connexions – a radical new approach to support young people in education or training until 18. More details of this can be found in Annex E.
- 5.22** Connexions will provide information, advice, support and guidance to all teenagers through a network of Personal Advisers based in schools, further education colleges and elsewhere. The Service has a range of ambitious targets to improve participation and achievement in education and training, and to reduce drug abuse, offending and teenage pregnancy rates.
- 5.23** The Connexions Card will reward young people's continued participation and achievement in learning – like good attendance, punctuality and achieving agreed milestones. Developed with the private sector, its discounts and rewards will help to motivate and support young people.

Education Maintenance Allowances

- 5.24** The Education Maintenance Allowance scheme was introduced to assist young people from lower income families to remain in post-compulsory education. 15 pilot areas started offering Education Maintenance Allowances in September 1999, expanded to an additional 41 areas in September 2000.
- 5.25** Allowances are paid to young people who remain in full-time education after Year 11, and whose parents' combined gross income is less than £30,000. This is a 'something for something' scheme as young people have to sign a learning agreement related to their attendance, behaviour and achievement to gain the weekly allowance and/or termly bonuses. Decisions on a national rollout will be based on evaluation of the pilots.

Progress on exclusion targets 1997/98 to 2001/02 (projected)



Funding for the Connexions Service will amount to £420 million at the end of 2002/03, and there will be new funding to train Personal Advisers in each area and support other set-up costs.

Coventry and Warwickshire Connexions Service's 34 Personal Advisers have already seen almost 2,300 young people since it was launched in 2000. Advisers are based in a range of locations and carry out outreach work with hard-to-reach young people. Young people were closely involved in designing its services.

Education Maintenance Allowance pilot schemes now cover 30 per cent of the country. They have helped over 66,000 young people to remain in education. Findings from the pilots show a significant increase in staying-on rates, ranging from three to 11 percentage points.

Teenage pregnancy

- 5.26 Following an SEU report in 1999, the Government's strategy on teenage pregnancy focuses on reducing the rate of teenage conception, through better education about sex and relationships; and on supporting teenagers if they do become parents.
- 5.27 Some groups are at particular risk of becoming teenage parents. Within the Prison Service, a module on 'sex and relationships education' has been developed as part of the Life Skills package for young offenders. Guidance has been issued to local co-ordinators on good practice in providing services for minority ethnic communities. Through Quality Protects, local authorities are asked to set out plans to reduce teenage pregnancy rates amongst children in care.
- 5.28 More details on the Government's strategy can be found in Annex D.

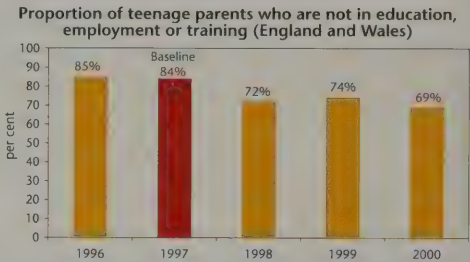
Access to childcare

- 5.29 Good quality childcare supports a good start in life and working families. The amount of childcare available for all has been increased. Substantial additional childcare resources will be targeted on the most deprived areas, provided through the private and voluntary sectors.
- 5.30 The National Childcare Strategy has three elements:
 - raising the quality of care;
 - making childcare more affordable; and
 - making childcare more accessible.
- 5.31 An additional £379 million is being invested in childcare from 2001 to 2004. Free early education places are guaranteed for 4 year olds; to be extended to 66 per cent of 3 year olds by 2004.

During the year 2000, the number of teenage mothers receiving some maintenance for their child went up by seven per cent, whilst the number of fully compliant fathers increased from 15 per cent to 28 per cent.

In four of the last five quarters for which data is available, under-18 conception rates have fallen.⁸⁴ 141 Teenage Pregnancy Co-ordinators cover every local area.

Six new projects to provide supported housing to 16 and 17 year old parents who cannot live at home will open in 2002. Supported housing will be available to all 16 and 17 year old parents who need it by 2003.



Source: Labour Force Survey, spring quarters. Note: teenage is defined as 16-19 year olds.

The National Childcare Strategy will have created places for 1.6 million children by 2004. The aim, by 2004, is a childcare place for every lone parent entering employment from the most disadvantaged neighbourhoods.

Care and care leavers strategy

- 5.32 Chapter 1 identified children in care, and adults who were once in care, as being at much greater risk of social exclusion than many other groups.
- 5.33 Quality Protects is aimed at supporting the most vulnerable children in society, including those in care. Key elements of the programme are central and local government partnership with the health service and voluntary sector; an important role for local councillors; and annual evaluation of councils' Management Action Plans, which set out how they intend to improve care services.
- 5.34 The Government has brought forward an Adoption and Children Bill to speed up the adoption process. The aim is to increase adoption rates by 40 per cent by 2004/05.

Sport and culture

- 5.35 Sporting and cultural activities can help build self-esteem and respect for others, develop communications skills and teamwork, foster discipline, and can teach basic life-skills for those vulnerable to social exclusion. The Department for Culture, Media and Sport (DCMS) now makes combating this 'poverty of experience' a key priority when negotiating funding agreements with its partners.

Quality Protects was launched in 1998. A key element of the programme is a new Children's Service Grant of £885 million over five years.

- Quality Protects is already achieving results:
- 500 more children were adopted from care in 1999/2000 than in 1998/99;
 - 600 fewer young people left care at 16 in 1999/2000 than in 1998/1999;
 - numbers of registrations on child protection registers are down;
 - placement stability is increasing.

Space for Sport and the Arts, a DCMS initiative, will provide £130 million for new facilities for sports and arts in primary schools in deprived neighbourhoods. The facilities will be open for community use outside school hours.

Skills, jobs and income

	Prevention	Reintegration	Minimum basic standards
Adult skills	✓	✓	✓
Individual Learning Accounts	✓	✓	
Access to new technology	✓		✓
New Deal	✓	✓	✓
Working Families Tax Credit	✓		✓
Minimum Wage	✓		✓
Phoenix Fund		✓	
Supporting enterprise	✓	✓	✓
Basic Bank Accounts	✓	✓	✓

- 5.36** During the 1980s and 1990s, the gap between rich and poor widened. Chapter 1 highlighted the growing income gap between the top ten per cent and the bottom ten per cent. Statistics on relative poverty are not yet available beyond 1996. Real progress has been made, though, in raising the incomes of the poorest, through tax and benefit reforms, the National Minimum Wage, and income guarantees for disabled people and the elderly.
- 5.37** At the same time, the world has become a more competitive and complex place, dependent on innovation, fast-changing technology and efficient working practices. People today must be flexible in the way they work and willing to re-train and learn new skills. This section describes a range of policies targeted at improving income, skills and access to work.

Adult skills

- 5.38** A strong skills base provides a buffer against unemployment and access to a wider range of jobs. In a fast-moving employment market, keeping skills up to date helps provide job security, and improves earning potential and flexibility.
- 5.39** Individual Learning Accounts provide financial support for adult learners, making it easier for them to plan, manage and invest in their own learning. They are targeted particularly on those who need to update their skills.
- 5.40** Neighbourhood Learning Centres will engage residents of poor neighbourhoods in education and new learning opportunities.

Access to new technology

- 5.41** 6,000 UK online centres are being set up to give everyone access to the Internet and Government online services, with at least one publicly accessible IT facility in every community by April 2002.
- 5.42** Around 41 per cent of library service points are connected to the Internet, compared with just five per cent in 1997. Access for *all* libraries is a target for the Department for Culture, Media and Sport.

Jobs

- 5.43** The New Deal, a key element of the Welfare to Work programme, is helping to prevent long-term unemployment and is giving people access to the training and skills they need. Young people who have been unemployed for more than six months receive training or work as a condition of benefit. Older people who have been unemployed for more than two years, lone parents, the disabled and others also benefit from training and work under the New Deal.

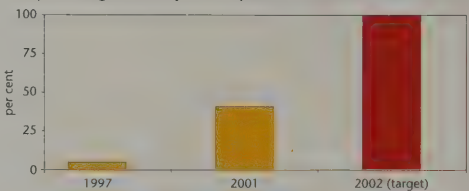
Around 390,000 adults are participating in literacy and numeracy courses in 2000/01. The target for 2004 is a reduction by three-quarters of a million in the numbers of adults with difficulty reading and writing.

More than 360,000 people have already opened Individual Learning Accounts.

The Budget announced a £40 million fund to provide training and mentoring to workless people with drug habits who agree to give up drugs.

Over 1,200 UK online centres have opened.

The percentage of library service points connected to the Internet



Since 1997, more than 270,000 young people have moved into work through the New Deal for Young People and its network of Personal Advisers.

- 5.44** The New Deal is delivering – which is why it is being made into a permanent service, to be taken forward on the ground by the new Working Age Agency.

A minimum wage

- 5.45** The Government believes that there should be a wage floor for all workers. That's why the National Minimum Wage was introduced in April 1999. It was initially set at £3.60 per hour for those aged 22 or over, and was later raised to £3.70. The minimum wage level will rise further to £4.10 from October 2001 and £4.20 from October 2002.⁸⁵ The youth rate rose from £3.00 to £3.20 in June 2000.

Working Families Tax Credit

- 5.46** And the Government is supporting working families with over one million benefiting from the Working Families Tax Credit – from June, families on average will receive around £35 per week more than under Family Credit compared to £30 per week more now.

Phoenix Fund

- 5.47** The involvement of business is vital to the regeneration agenda. But those wanting to set up and run small businesses in deprived areas faced considerable barriers in the past. The Phoenix Fund (£96 million over four years) was set up to assist entrepreneurs from disadvantaged groups or areas. It is supporting innovative approaches to business support from mentoring to improving access to finance for small firms.

Supporting enterprise

- 5.48** New investment and fiscal incentives are supporting enterprise throughout the country, with £1 billion of targeted tax cuts. In certain key areas, buying property will be tax free through abolition of stamp duty, whilst a VAT cut on residential property conversions will help bring disused properties back into use.
- 5.49** Accelerated tax relief and (subject to consultation) further corporation tax relief will encourage firms investing in Urban Regeneration Companies. There will be help for bringing empty flats over shops back into the residential market. And the Small Business Service will offer up to £2,000 worth of help for any start-up company in drawing up their business plan.

- The 29 New Deal 25+ pilots are providing extra help for well over 100,000 people
- New Deal 50+ guarantees a take home wage of at least £170 a week (£9,000 a year) for the first year of work if in full-time employment.

In March 2001, unemployment dropped below one million for the first time since December 1975.

From April, lone parents will be guaranteed a minimum income of £214 per week in 35 hours through the Working Families Tax Credit, plus financial help to make the transition to work.

Between 1.2 million and 1.5 million low paid workers and their families have benefited from the National Minimum Wage.

The proportion of children in homes where no-one is in work has fallen from 17.9 per cent in 1997 to 15.1 per cent in 2001.⁸⁶

Unemployment has fallen faster than the national average in 19 out of 20 highest unemployment areas⁸⁷

The Phoenix Fund supports a pilot national network of mentors to business start-ups, which to date has identified over 700 volunteer mentors.

Focusing on financial exclusion

- 5.50 Government is also tackling the exclusion from financial services experienced by too many people. Between 2.5 and 3.5 million adults have neither a current account nor a savings account.⁸⁸
- 5.51 By the end of 2000, all high street banks offered Basic Bank Accounts, ensuring that everyone who wants an account can have one.

The Government is taking action on the recommendations of the Social Investment Task Force. Borrowing costs for small business will be cut through a new Community Investment Tax Credit and the first Community Development Venture Capital Fund – a partnership between Government, financial institutions and the charitable sector.

Homes, neighbourhoods and communities

	Prevention	Reintegration	Minimum basic standards
Neighbourhood renewal		✓	✓
Role for communities in renewal	✓	✓	
Volunteering		✓	
Transport for communities		✓	✓
Mixed communities	✓		
Decent homes	✓	✓	✓
Affordable rents	✓		✓
Tackling fuel poverty	✓	✓	✓
Rough sleeping	✓	✓	✓

5.52 The Government believes that:

- conditions in many of the poorest neighbourhoods are unacceptably bad;
- too many local authority and private rented sector homes across the country fall below acceptable standards; and
- too many people are sleeping rough each night.

Neighbourhood renewal

- 5.53 The Government’s long-term vision is that in ten to 20 years no-one should be seriously disadvantaged by where they live.

Since 1998, 39 neighbourhoods have benefited from the New Deal for Communities, which allocates up to £50 million over ten years for physical and social regeneration programmes.

5.54 The National Strategy for Neighbourhood Renewal Action Plan⁸⁹ offers a comprehensive approach to tackling area deprivation at community level. It combines improvements to services with new mechanisms to join up local services and involve communities, and strong regional and national leadership. Local Strategic Partnerships will make joined-up working the norm at local level, drawing up Local Neighbourhood Renewal Strategies.

5.55 Communities are key partners locally. Neighbourhood Management will place a single person, team or organisation in charge of a neighbourhood. Local projects will be supported through Community Chests worth £50 million. And local people will be supported on Local Strategic Partnerships through the Community Empowerment Fund.

Volunteering

5.56 Volunteers make an extremely valuable contribution to their communities. That is why the old benefits rules that required volunteers to be available to take a job at 48-hours' notice have been relaxed.⁹⁰ This will encourage people to volunteer thus developing their skills and confidence.

Mixed communities

5.57 Housing policy plays an important part in supporting strong communities. Social landlords are being encouraged to introduce choice-based housing lettings policies that give tenants a greater say over where they live. Housing providers are being encouraged to develop or redevelop housing for mixed communities.

Rural services

5.58 The Rural White Paper⁹¹ for the first time published a Rural Service Standard, setting out what people can expect from public services in rural areas.

Decent homes with affordable rents

5.59 A key Government objective is to keep social rents at affordable, fair levels, well below those in the private sector. Part of the £1.8 billion investment in housing will provide more affordable homes to rent – by nearly doubling funding for the Housing Corporation, with an extra £872 million by 2004.

A £900 million Neighbourhood Renewal Fund will kick-start the National Strategy in the 88 most deprived local authority districts.

The Government has set 'floor targets' – minimum standards – for every area on tackling crime, improving health, education, liaising and employment.

Neighbourhood Statistics is a £35 million programme for delivering ward-level data online for the whole country.

The Government is investing an extra £1.8 billion in housing over the next three years.

Investment is improving transport provision for people in the poorest communities. The £40 million Urban Bus Challenge is helping improve links for deprived areas, and the Rural Bus Subsidy Grant with the Rural Bus Challenge are putting £137 million into services in the countryside.

The Government has set a target for all social housing to reach a decent standard by 2010, with a third of the improvements taking place by 2004.

Fuel poverty

5.60 Reducing fuel poverty is a key Government priority, with a commitment in place to end it for vulnerable households by 2010.⁹²

Rough sleeping

5.61 The SEU’s 1998 report on rough sleeping identified preventive measures to help tackle the problems that lead people to the streets. Care leavers, ex-prisoners and those leaving the Forces are particularly vulnerable, and many measures are targeted at them. More information on the Government’s strategy is in Annex C.

5.62 Between June 1998 and June 2000, numbers of rough sleepers fell by 36 per cent. Half way through the four-year programme, this is half way to the final target.

Compared with 1996, the number of fuel poor in 1999 is thought to have fallen from around 5.5 million to around 4.5 million households in the UK.⁹³

By the end of March 2002, the Rough Sleepers Unit will have provided over 1,000 additional places in hostels.

Race

	Prevention	Reintegration	Minimum basic standards
Race Relations (Amendment) Act	✓		✓
Recommendations of the Lawrence Inquiry	✓	✓	✓
Monitoring performance	✓		✓
Connecting communities		✓	
Employment		✓	✓

5.63 People from minority ethnic communities are more likely than white people to live in deprived areas, to be poor, to have difficulty finding work, to suffer ill-health and to live in unpopular housing. Strategies to tackle these aspects of social exclusion therefore take full account of the needs of people from minority ethnic communities.

The Race Relations (Amendment) Act 2000

5.64 The key statutory provisions against racial discrimination are contained in the Race Relations Act 1976 as amended by the Race Relations (Amendment) Act 2000. The 2000 Act outlaws race discrimination in all public functions (with only certain limited exceptions) and places a duty on public authorities to promote race equality to help prevent discrimination before it occurs.

There have been over 1,500 successful prosecutions for the new racial violence and racial harassment offences, since they came into force.

Between 1997/98 and 1998/99, ethnic minority exclusions fell by 18 per cent, compared to 14 per cent for white pupils.

Recommendations of the Lawrence Inquiry

- 5.65** The report of the Stephen Lawrence Inquiry makes clear that racism is not something that can simply be outlawed – a significant cultural change is required. The Home Secretary has drawn up an action plan to take forward the recommendations of the Stephen Lawrence Inquiry. The recommendations cover a whole range of issues, including education and policing – and over 70 per cent have already been implemented.

Monitoring performance

- 5.66** The Government has also developed a set of published indicators⁹⁴ that demonstrate what is being done to promote race equality and the progress that has been made. The latest data shows that although some progress has been made in improving race equality across public services, more needs to be done.

Connecting communities

- 5.67** Some programmes focus on people from minority ethnic communities who have become excluded. One example is the Connecting Communities programme, through which 75 organisations have received £11.6 million of Home Office funding to help tackle racial inequality at the grass-roots level.

Employment

- 5.68** Many Action Teams for Jobs are targeted at areas with high minority ethnic populations. They will provide new and flexible ways of working to help people who want to get and keep jobs. One of their targets will be to increase the employment rates of the most disadvantaged groups.
- 5.69** To help narrow the gap in employment rates, the Government and the Commission for Racial Equality and other organisations will work together to encourage employers to create more diverse workforces. Voluntary and community bodies will receive £15 million in new outreach for ethnic minorities over the next three years.

Between 1998 and 2000, all ethnic groups saw improved results in five GCSEs at grades A*–C (except Bangladeshi 16 year olds).

The Teacher Training Agency earmarked £4.5 million in 2000/01 to help new teachers contribute to raising the achievement of pupils from minority ethnic groups, understand the dangers of racial stereotyping and know how to deal effectively with instances of racial harassment. It has also set a target to increase the numbers of minority ethnic students entering Initial Teacher Training from the present 6 per cent to 9 per cent by 2005/06.

In 2001/02 the Ethnic Minority Achievement Grant (EMAG) will support £154 million of local expenditure on the education of children from minority ethnic communities. This represents an increase of more than 4.5 per cent over 2000/01.

Action Teams for Jobs are based in 32 areas in England, many of which have high minority ethnic populations. Between October 2000 and October 2001, over £45 million will have been invested in this initiative. An extra £120 million will be invested over the next three years.

Crime

	Prevention	Reintegration	Minimum basic standards
Crime and Disorder Reduction Partnerships	✓		✓
Youth Justice Board	✓		
Youth Offending Teams	✓	✓	
Intensive Supervision and Surveillance Programme		✓	✓
Drug Testing and Treatment Orders		✓	✓
National Treatment Agency	✓	✓	✓
Arrest Referral Schemes		✓	
Neighbourhood Wardens	✓		✓

- 5.70 Although there has been success in reducing overall crime rates,⁹⁵ which are down ten per cent since 1997, and fear of crime has fallen fastest in deprived neighbourhoods,⁹⁶ there is still much to do.
- 5.71 Recent research suggests that about ten per cent of all active criminals may be responsible for half of all crime: about 100,000 individuals. Of this ten per cent, half are under 21 and nearly two-thirds are hard drug users.⁹⁷

Crime and Disorder Partnerships

- 5.72 Crime and Disorder Reduction Partnerships have been set up. Partnerships work with local people to draw up a strategy containing measures to tackle priority problems and set targets.

Young offenders

- 5.73 The Youth Justice Board, set up under the Crime and Disorder Act 1998, has responsibility for advising on the operation of the youth justice system in delivering its aim to preventing offending by young people. The Board has funded over 250 schemes designed to achieve this aim.
- 5.74 Youth Offending Teams (YOTs) have been set up across England. Their purpose is to reduce offending by children and young people. The team will bring together for the first time all the key local agencies on a statutory basis with a contribution to make to reducing youth offending – police, social services, education, probation and health.
- 5.75 For young people who are already persistent offenders, a new Intensive Supervision and Surveillance Programme (ISSP) has been introduced. The ISSP aims to deal with 2,500 of the most persistent offenders by combining close surveillance by the police with a structured daily programme tackling the causes of the offending.

- A target has been set to reduce the key recorded crime categories:
- vehicle crime by 30 per cent by 2004;
 - domestic burglary by 25 per cent, with no local authority area having a rate more than three times the national average, by 2005; and
 - robbery in our principal cities by 14 per cent by 2005.

Young offenders in custody will be provided with 30 hours a week of education or training to help improve the chances of later employment and break the pattern of offending behaviour.

Drugs

- 5.76** To break the link between drug use and crime, the Crime and Disorder Act 1998 introduced pilots of the Drug Testing and Treatment Order (DTTO). The programme is now being rolled out across England and Wales. A DTTO is made if a court believes an offender misuses drugs and that treatment may be helpful. It has been estimated that DTTOs will result in 700,000 fewer offences per year.⁹⁸
- 5.77** The new National Treatment Agency will work towards the achievement of the Government’s strategic aims for the treatment of drug misuse. It will cover the health, social services and criminal justice aspects of substance misuse treatment in England.

Neighbourhood Wardens

- 5.78** Neighbourhood Wardens, a concept pioneered in the Netherlands, offer a uniformed, semi-official presence in communities with the aim of improving quality of life. Wardens can promote community safety, assist with environmental improvements and housing management but also, importantly, have an important role to play, in partnership with the police, in preventing crime and reducing the fear of crime.

Pilot DTTOs reduced individuals’ average expenditure on illegal drugs from £400 to £25 per week. Offending dropped correspondingly from 137 to 34 crimes per month.⁹⁹

Government is supporting the spread of arrest referral schemes. These have been found to reduce arrestees’ drug expenditure by 81 per cent, and to reduce or stop offending in 61 per cent of cases.

86 Neighbourhood Warden schemes have been approved. Some have reduced crime by 35 per cent. The Neighbourhood Wardens Unit has a budget of £18.5 million to spend between 2000 and 2004.

Older people

	Prevention	Reintegration	Minimum basic standards
Increasing the Basic State Pension	✓	✓	✓
Minimum Income Guarantee	✓	✓	✓
Winter Fuel Payment	✓	✓	✓
Free TV licences for over-75s			✓
State Second Pension	✓		✓
Stakeholder Pensions	✓		✓
Pension Credit	✓	✓	✓

- 5.79** By the mid-1990s, the gap between the poorest and richest pensioners had grown wider than at any time in about the last 30 years. And many pensioners were living in poverty. So the Government set an objective that everyone be guaranteed a decent income in retirement – both today and in the future, when numbers of over-65s will increase significantly. For those approaching retirement, policies such as New Deal 50+ have already helped to produce positive results. The employment rate for people over 50, which had fallen for most of the last 20 years, has risen faster than the average increase in employment rates over the last four.¹⁰⁰

A decent income in retirement

- 5.80** It is clearly vital to ensure that those who are now in retirement receive a decent income and a share in the economic success of the nation.
- 5.81** The Government's first priority has been to help the poorest pensioners in greatest need, building on the Basic State Pension. So the Government introduced the Minimum Income Guarantee (MIG) to provide a basic income for all pensioners. Overall, nearly two million pensioners are at least £15 a week better off in real terms as a result compared with 1997.
- 5.82** Alongside this, the Winter Fuel Payment, set at £150 for future years, is being paid at £200 this winter – with 8.5 million pensioner households benefiting. And free TV licences have been offered to all over-75s.

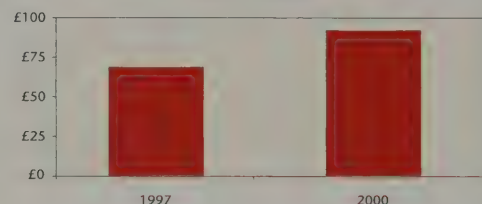
State Second Pension

- 5.83** Work is in hand to prevent pensioners from being trapped in poverty in the future. The State Second Pension will provide those on low incomes, or non-earners such as carers, with a substantial boost to their pensions.
- 5.84** The low-cost Stakeholder Pension¹⁰¹ will widen pension access for those on moderate or higher earnings, helping them to build up savings for retirement. The system will be flexible and simple, with all firms of five staff or more offering the scheme.

The Pension Credit

- 5.85** The Government believes in rewarding pensioners for saving for their retirement. The Pension Credit¹⁰² will ensure that no single pensioner need live on less than £100 per week, or £154 for couples. It will benefit more than half of all pensioner households.

Weekly income for the poorest pensioners per week:
1997 and 2000



From April, the Basic State Pension is being increased for all pensioners: by £5 a week (and £3 a week the year after) for single pensioners, and by £8 a week next year (and £4.80 next year) for pensioner couples.

Up to 18 million people will benefit from the State Second Pension, which comes into operation in April 2002. It will provide more support for modest and low paid workers, and for carers and the disabled.

Up to five million people will benefit from the Stakeholder Pension. They will be able to contribute up to £3,600 each year.

Health and disability

	Prevention	Reintegration	Minimum basic standards
NHS funding	✓		✓
Personal Medical Services schemes	✓	✓	
Primary care premises modernisation	✓	✓	✓
Access to GPs	✓	✓	✓
NHS Direct	✓		✓
Smoking Cessation Services	✓		
Healthy living	✓		✓
New Deal for Disabled People	✓	✓	✓
Disabled Persons' Tax Credit	✓	✓	✓
Extension of the DDA 1995	✓	✓	✓
Supported Employment Programme	✓	✓	✓
Enhanced Disability Premium	✓		✓

5.86 Poor health is a key cause of social exclusion. It is also a consequence of exclusion – with the most under-resourced services often located in the poorest areas. Government has focused on tackling inequalities in health. And new policies are helping disabled people into employment, whilst providing security for those who cannot work.

Health services

5.87 Communities in greatest need are the *least* likely to receive the health services they require.¹⁰³ The Government has taken action to tackle this 'inverse care law'.

5.88 The Government has set targets for 2010 to reduce by at least ten per cent:

- the gap in infant mortality rates between lower socio-economic groups and the population as a whole; and
- the gap between the fifth of health authorities with the lowest life expectancy at birth and the population as a whole.

In 2001/02, an additional £130 million will go to authorities with the greatest health inequalities. By 2003, reducing health inequalities will be a major criterion in allocating NHS resources throughout the country.¹⁰⁴ And £1 billion is being invested in the modernisation of primary care premises over the next three years.

By 2004, 200 new Personal Medical Services schemes created principally in deprived areas will have started to reduce the imbalance in access to GPs.

Access to GPs

- 5.89** GP access is unevenly distributed – for example, there are 50 per cent more GPs in Kingston or Oxfordshire than in Sunderland or Barnsley, even after adjusting for the age and needs of their respective populations.¹⁰⁵ The Government is taking action to remedy this from April 2001. Newly-qualified GPs who go to work in a deprived neighbourhood and areas where there are few GPs per head of population will receive an additional £5,000. A new Medical Education Standards Board will track the distribution of GPs in primary care.¹⁰⁶

Smoking

- 5.90** Smoking is the biggest cause of the difference in death rates between rich and poor. It reduces birth weight in pregnancy and contributes to perinatal mortality.¹⁰⁷ So smoking cessation services are being expanded to help meet the Government's targets, and nicotine replacement therapy is now available on prescription.

Healthy Eating

- 5.91** Fruit and vegetables are two of the key elements of a healthy diet. A National School Fruit Scheme is currently being piloted, with a view to introducing it nationally by 2004, to give every child in nurseries and aged four to six in infant school a free piece of fruit every school day. Already over 80,000 children have started to benefit.
- 5.92** Five community based projects targeted at deprived neighbourhoods were set up in autumn last year to increase access to, and consumption of, fruit and vegetables. The project includes a mailshot to over 135,000 about the Five-a-day scheme.

Supporting people with disabilities

- 5.93** Disabled people are seven times more likely than non-disabled people to be out of work and claiming benefits, such as Incapacity Benefit. That is why, following the success of earlier pilots, the New Deal for Disabled People will be extended nationally from July 2001.
- 5.94** The Disability Discrimination Act (DDA) 1995 gave many formal rights to disabled people, but the Act was difficult to enforce. After extensive consultation

By 2003 a free and nationally available translation and interpretation service will be available from all NHS premises via NHS Direct.

The Government's targets for reducing smoking – the leading cause of avoidable ill-health and early death – include:

- 1.5 million smokers to have given up by 2010; and
- reducing the percentage of women who smoke during pregnancy from 23 per cent to 15 per cent by 2010.

6,500 clients have started work through the New Deal for Disabled People. The service provides:

- a Personal Adviser service to help disabled people overcome barriers to work;
- innovative schemes to explore how best to help people move into or stay in work; and
- a campaign to raise awareness of the help available to get people into work, and to change attitudes of benefit recipients, employers and the public.

The Disabled Persons' Tax Credit will increase by £5 a week from June 2001, guaranteeing a minimum weekly family income of £250.¹⁰⁸

the Government established the Disability Rights Commission in April 2000 to:

- advise on the working of disability legislation (DDA 1995 and the Disability Rights Commission Act 1999);
- to work to eliminate discrimination against disabled people;
- to promote equal opportunities for disabled people; and
- to encourage good practice in the treatment of disabled people.

Supported Employment Programme

5.95 The Supported Employment Programme provides job support to disabled people who face more complex barriers to getting or keeping a job. It will build in incentives to encourage providers to invest in the future development of those on the programme, so that as many possible can progress to mainstream work.

5.96 For many disabled people for whom work is not an option, the Enhanced Disability Premium provides additional support to Incapability Benefit.

5.97 These policies will ensure that NHS Plan commitments to improving health and reducing inequalities are met, and that disabled people are empowered to play a full part in society.

The Government is to extend the DDA to provide increased legal protection for people with cancer, legal protection for disabled people in almost all jobs, and a legal duty on public bodies to provide equal opportunities for disabled people. This will extend the rights of over 600,000 disabled people already in jobs and cover nearly seven million jobs previously excluded from the Act.

Nearly £40 million over the next three years will be invested to enhance supported employment.

Policy in action

5.98 The sections above show considerable progress in achieving goals. But how does the approach work in practice? The following successful local initiatives to tackle social exclusion demonstrate how policies can deliver results on the ground. The examples illustrate how community-based organisations and public services can make a real difference to socially excluded groups and areas. Many more examples of delivery on the ground are in Annexes B to F.

Children, families and schools

Clayton Sure Start, Manchester

The 'one-stop-shop' approach of Sure Start gives parents and children tailor-made support; helps families tackle problems before they reach crisis point; and plays a major role in breaking down social isolation. Local parents in Clayton have been closely involved in shaping services and identifying priorities. Activities there include discussion groups, parenting classes, benefits advice, a crèche, a playbus, a toy library, speech therapy, advice on helping children to read and skills training courses for parents. The one-stop-shop is funded through Sure Start and the New Deal for Communities.

Skills, jobs and incomes

Digital Learning Ring – London

The Digital Learning Ring, funded through the Single Regeneration Budget, is a network of estate-based learning centres set up by Peabody Trust Housing Association. Residents can take up courses designed to help them into training and employment, particularly in basic IT skills and literacy and numeracy. Flexible and informal, the centres attract many people who have had previously negative experiences of learning. Job search advice and hints on CVs and interview techniques are provided by an employment adviser.

Homes, neighbourhoods and communities

Community Leadership Project – Leicester

The Community Leadership Project aims to give adults the skills, knowledge and confidence they need to take on or develop leadership roles within their local community. Residents come from many disadvantaged communities – including inner-city areas, rural communities, coalfields areas, minority ethnic groups and homeless people. Training on this two-year pilot programme is being developed and evaluated by three adult residential colleges and co-ordinated by NIACE (National Institute for Adult Continuing Education). NIACE is funding the project.

Race

Account 3 Women's Consultancy Service – London

Women from minority ethnic backgrounds in Tower Hamlets are benefiting from the Account 3 Women's Consultancy Service through the Connecting Communities programme. Its Home Office grant of £224,000 over three years is being used to set up women-only spaces where marginalised women can access educational, training, employment and enterprise opportunities as well as advice and support on personal issues like health, welfare, family and marital difficulties. The project is particularly aimed at minority ethnic women who are new to Britain and who are isolated by cultural barriers, poverty or low incomes. The project is setting up a database of London-wide employment opportunities; running drop-in sessions; establishing a local Black Women's Network; operating a supported volunteer placement scheme; and developing a jobs bank with local employers.

Crime

Twilight and Midnight Football Teams – Wolverhampton

Reducing crime and promoting good health amongst teenagers and young men are the twin goals of this new football six-a-side league project. Set up and run by Wolverhampton Wanderers FC in partnership with Wolverhampton Health Action Zone, there is one weekly session for younger teenagers in the early evening and a later session for 16–21 year olds. Local police confirm these are the times when crime rates peak and some of the young men who attend have been referred by the Youth Offending Team. The health benefits of taking part in sport are soon to be complemented by a new series of sessions on substance misuse, healthy eating and safe sex. The project is funded by Wolverhampton Wanderers FC and Birmingham Midshires Financial Company.

Older people

'It's a RAP' – Stockport Centre for Arts and Craft

'It's a RAP' is the motto of the Reminiscence Arts Project in Stockport which gives older people, their carers and relatives the chance to take part in a variety of arts activities ranging from silk paintings and felt work to writing and photography. Based at St Thomas' Hospital, the project is used by patients from continuing care, rehabilitation and respite care and caters for patients with a wide range of skills, abilities and disabilities. The project helps to break down feelings of isolation and exhibitions of the project's work build up participants' self-confidence. The project is funded by a range of local agencies including Stockport Metropolitan Borough Council, Stockport Health Authority and St. Thomas' Hospital.

Health and disability

A PAUSE – Added Power And Understanding in Sex Education – Hartlepool

A PAUSE is a programme of sex education lessons for 13–15 year olds in Hartlepool designed to raise awareness about contraception and sexually transmitted infections and help prevent teenage pregnancies. The A PAUSE programme, funded by Tees Health Authority, is delivered by older teenagers from a local college alongside dedicated workers and specially trained teachers. The lessons have been successful in helping to change attitudes and behaviour amongst young people who report that the lessons made them realise that having sex is a big decision. Evaluation of the project suggests that young people are more likely to delay having sex and to use contraception when they do. Similar projects are also operating in Exeter and North Essex.

CHAPTER 6

WHAT NEXT?

This chapter sets out the future challenges for the Government in the development of policies for tackling social exclusion.

- 6.1** This document has summarised the outcomes, and the future potential, of a huge programme of policy development. It shows how, over the last three to four years, the Government has:
- put preventative measures in place for those most at risk of exclusion;
 - started to reintegrate some of the most excluded groups; and
 - set in place reforms that will deliver basic minimum standards in key services that have been underperforming for many vulnerable people and places.
- 6.2** This has meant a huge programme of policy innovation, as well as new structures and new ways of working within Government. These have created the basis for a new partnership with groups outside central Government who have much expertise and commitment, such as local government, service providers, the voluntary sector, communities, churches and faith groups, and business.
- 6.3** As a result trends on literacy, school exclusion, teenage births, post-16 participation and rough sleeping are now heading in the right direction. Incomes for the poorest pensioners and families, and for low paid workers, have risen substantially. And many of the programmes in this document are extremely long term in character and will yield results over a 10–20 year period.
- 6.4** The Government intends to build on this in the following ways:
- first, by continuing to invest in opportunity, based on a foundation of sound economic management;
 - second, through continued follow-up of what has been put in place. The overwhelming majority of programmes in this document are on track – but they must be kept that way and policy must be adapted if and when new challenges emerge;
 - third, by continuing an open working relationship with those outside Government, to maintain buy-in and learn lessons;
 - fourth, once the current targets are fully achieved the Government will look for further improvements. Setting decent minimum standards is only the start, and over time the aim is to raise these still further so they create a platform for excellence; and
 - fifth, the social exclusion approach will be extended to other areas that have not yet been radically reassessed or where new problems emerge in future. This will be a priority for Departments' work programmes, for the next spending review, and for future SEU reports.
- 6.5** Related to this last point, the Social Exclusion Unit's priorities for the next period are going to be completing the current project on reducing re-offending by ex-prisoners, following-up initial work on young runaways, and starting two new projects on the educational attainment of children in care, and transport and social exclusion.

ANNEX A

THE SOCIAL EXCLUSION UNIT

What is the Social Exclusion Unit?

1. The Prime Minister set up the Social Exclusion Unit (SEU) in December 1997 to improve Government action to reduce social exclusion by producing 'joined-up solutions to joined-up problems'.
2. Most of the work of the SEU is topic based. The Prime Minister chooses topics following consultation with other Ministers and suggestions from other groups including the SEU itself.
3. The Unit is staffed by a mixture of civil servants and external secondees. The civil servants come from a variety of Government departments and external secondees come from a range of organisations with experience of tackling social exclusion. To date, this has included the probation service, local authorities, housing, the police, business, faith communities, social services and the voluntary sector.
4. The Unit does not cover issues that are dealt with by one Government department only, or duplicate work being done elsewhere. It does devote time to participating in wider interdepartmental work that has a close bearing on social exclusion. The Unit's work should also be seen in the broader context of the Government's wider work on tackling social exclusion, such as reducing child poverty and the New Deals, and is a part of the Modernising Government process.

How does the SEU work?

5. The Unit reports directly to the Prime Minister and is located within the Cabinet Office, putting it at the heart of Government. The SEU has developed new ways of working to ensure the best possible policies are developed. In preparing its reports, it draws extensively on research, external expertise, good practice and promising ideas. Members of the Unit visit and consult widely with local authorities, business, the voluntary sector, faith groups and other agencies, and people who have a direct experience of social exclusion.
6. Within Whitehall, the Unit works very closely with departmental officials and Ministers and the No.10 Policy Unit. Policy decisions in the Unit's reports are cleared through the appropriate Government committees, and implemented by departments. Any policy changes proposed have clear follow-up action, targets and evaluation plans.
7. A Ministerial Network – a team of Ministers who work most closely with the SEU – oversees the work of the SEU. The Minister for the Cabinet Office chairs the Network which chases progress against recommendations made in SEU reports, as well as acting as an informal sounding board for the Unit's future work programme.
8. The Unit's remit covers England only, but it keeps in close touch with the devolved administrations of Scotland, Wales and Northern Ireland who are all represented on the Unit's Ministerial Network and have their own strategies for tackling social exclusion.

The Unit's first three years

9. During its first three years, the SEU has reported to the Prime Minister on five key areas, and published reports on each, analysing the problem and making recommendations for action:
 - Truancy and School Exclusion (May 1998);
 - Rough Sleeping (1998);
 - Neighbourhood Renewal (1998/2000/2001), including 18 Policy Action Team reports and a Policy Action Team Audit;
 - Teenage Pregnancy (1999); and
 - Bridging the Gap – New Opportunities for 16–18 year olds not in Education, Employment or Training (1999).
10. The SEU is currently engaged in a project looking at reducing re-offending by ex-prisoners and preliminary work on young runaways.

The new approach of the SEU

11. The SEU has adopted new ways of working to ensure that its work is truly effective and achieves the outcomes desired. This includes:
 - wide-ranging consultation with groups affected in all SEU projects and ensuring their involvement in implementation, such as the role of communities in the National Strategy for Neighbourhood Renewal;
 - the setting up of cross-cutting units, such as the Rough Sleepers and Teenage Pregnancy Units in Whitehall, to ensure joined-up policy and delivery;
 - ensuring that all reports have monitoring and evaluation built in as part of an action plan, such as the National Strategy for Neighbourhood Renewal;
 - the development of partnerships at local level to promote the 'bottom-up' approach of working, such as Local Strategic Partnerships; and
 - the setting of clear, outcome-focused targets, such as the reduction of conceptions to teenage mothers, and setting floor targets which articulate a threshold below which standards must not drop, such as targets for deprived areas.

The future of the SEU

12. The Unit was set up on a time-limited, experimental basis to be reviewed in 1999. The review found that there was overwhelming support for the continued existence of the Unit, and a widespread belief that it had been a success in terms of operation and its effects on wider Government policy.¹⁰⁹ Consequently, the Prime Minister announced in December 1999 that the Unit will continue its existence, and be reviewed again at the end of 2002.

ANNEX B

TRUANCY AND SCHOOL EXCLUSION

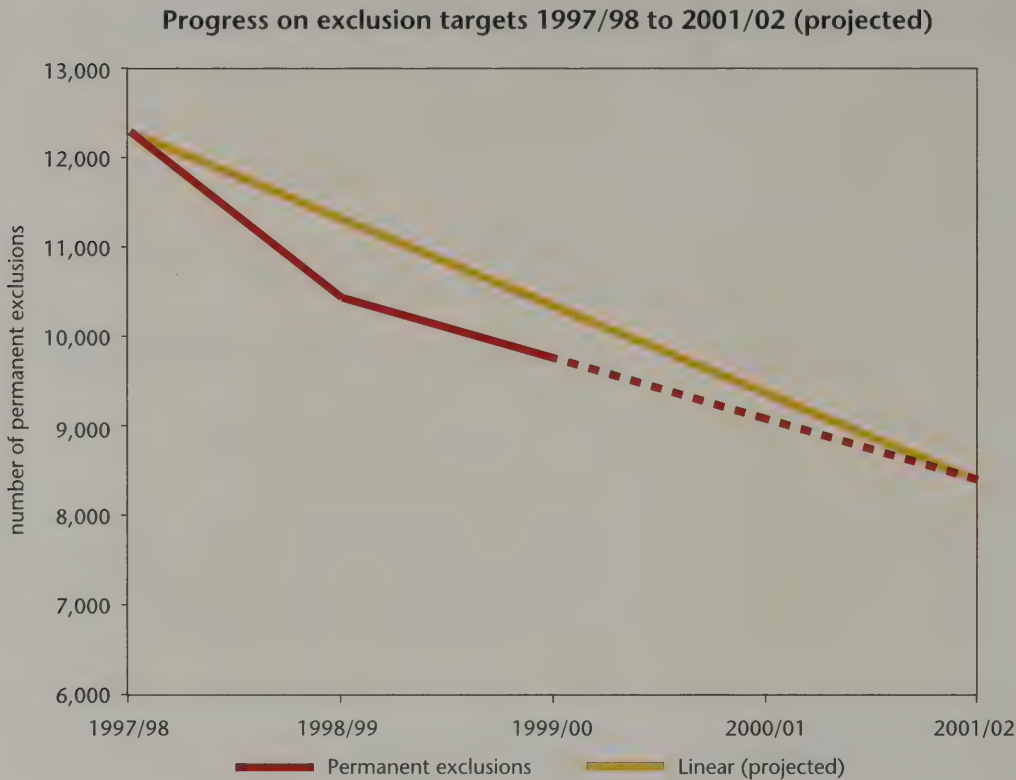
Headline Targets

- Reduce truancy and exclusion rates by one-third by 2002;
- from 2002, reduce truancy by a further 10 per cent; and
- by 2002, all pupils excluded for more than three weeks to receive full-time education.

Results

1. **Permanent exclusions** have fallen by 18 per cent over the past two years from 12,700 in 1996/97 to 10,400 in 1998/99. Early information suggests exclusions will fall by a further seven per cent for the period 1999/2000. Half way into the programme more than half the target has been achieved.
2. In response to the disproportionately high exclusion rates of **black and minority ethnic** (BME) pupils, BME exclusions fell by 18 per cent compared to 14 per cent for white pupils, between 1997/98 and 1998/99.
3. By 2000, a third of pupil referral units offered full-time provision for secondary pupils. Two-thirds offered at least 13 hours, and plan to offer full-time provision from 2001.
4. Progress on reducing **truancy** has been disappointing. Some local areas have reduced truancy rates, but the overall national rate has remained static since 1997. This is being urgently addressed. Increased numbers of truancy sweeps are a promising way forward.

The graph below¹¹⁰ shows the progress made on reducing the numbers of school exclusions since 1997/98.



Key measures

Making exclusions less likely

- Statutory guidance** was issued which made clear that school exclusion is not appropriate for minor offences and set out the steps that could be taken to reduce unnecessary exclusions and reintegrate excluded pupils. The guidance emphasised the role of intervening early to tackle problems, and the value of multi-agency working and partnership with parents. The guidance on exclusions was revised in response to feedback from schools and governors that it was unnecessarily cumbersome and bureaucratic and that the role of the appeal panels was unclear.
- Between 1997 and March 2001 nearly £300 million has been invested in tackling truancy and exclusion. From April 2001 the investment from the Connexions Service, the Children’s Fund and the Social Inclusion: Pupil Support Grant will ensure that at least £600 million will be available to tackle these issues up to 2004.
- Preventive work was strengthened through the creation of **Learning Support Units** and **Learning Mentors**. This enabled intensive work to be done with at-risk pupils without taking them out of school. Over 220 Learning Support Units have been established in Excellence in Cities (EiC) Phase 1 areas, an average of one for every two city secondary schools. Over 180 Learning Support Units will be in place in EiC Phase 2 areas by Easter 2001. By July 2001 there will be an estimated 1,500 Learning Mentors across Phases 1 and 2 of the EiC programme. By 2004 £100 million will fund 3,000 Learning Mentors in schools.
- The school curriculum for 14 to 16 year olds was made more flexible** so that schools could tailor education to individuals’ needs. Evaluation of work-related learning pilots covering 35 areas demonstrated improved attendance. The Education Green Paper proposes that from age 14 the curriculum will offer further choice. Pupils will be able to mix academic and vocational GCSEs, and a variety of opportunities will be tailored to each person’s aptitudes, abilities and preferences.

9. The Department for Education and Employment (DfEE) and the Department of Health issued joint guidance on the **educational attainment of young people in care** in May 2000. New challenging targets for attainment of children in care have been set for the period to 2004.
10. Further preventive measures over the next three years include the new **Connexions Service** that will work with 13 to 19 year olds to keep them in education (see Annex E). The service will provide information, advice and guidance, and broker support from schools and specialist agencies. The **Children's Fund** described in Chapter 5 will fund preventative work with 'at-risk' five to 13 year olds.

Improving education for excluded pupils

11. For those excluded from school, the Government is committed to providing a **full-time curriculum by September 2002**, compared with an average of just two to three hours of education pre-1997. Up to £6,000 is now available from the Pupil Retention Grant to follow pupils once they are excluded to help pay for education outside school or provide money for a reintegration package into a new school.
12. In 2000 a third of Pupil Referral Units (PRUs) offered full-time education for secondary pupils and more than two-thirds 13 or more hours. LEA plans indicate that nearly **two-thirds of LEAs will offer full-time provision to excluded secondary pupils in 2001**. At primary level one-third of PRUs offered full-time provision and 60 per cent 13 or more hours. Further detailed information on the rate of progress towards the 2002 target of full-time education for all students excluded for more than 15 days will be available in May/June this year. DfEE will, with Her Majesty's Inspectorate of Schools, visit those LEAs that are moving most slowly towards the target.
13. The move towards a full-time curriculum is being facilitated by **increased investment**, and **expansion of PRUs** which educate excluded children. Since 1997, an additional 1,000 places in PRUs have been created. The number of full-time equivalent teachers, instructors and education support staff has increased by nearly 600. To support this increase in provision, LEA planned expenditure on PRUs and Behaviour Support Plans increased by 13 per cent in 2000/01.
14. The **quality of education is improving for excluded pupils**. The latest Ofsted report¹¹¹ highlighted sharply improving standards in student progress, teaching performance and successful reintegration of Key Stage 2 and 3 pupils to mainstream education.

Tackling truancy

15. Many of the preventive measures highlighted earlier will contribute to reducing truancy, as well as exclusions, in particular, Learning Support Units, Learning Mentors, Connexions, the Children's Fund and greater curriculum flexibility.
16. In December 1998, police were given the power to pick up truants. All LEAs and Chief Constables have been requested to carry out regular **truancy sweeps**. In York when truancy sweeps were launched in 1999, youth crime fell by 67 per cent, and in parts of Newham, car crime fell by 70 per cent. Truancy sweeps are having a marked effect on attendance rates in Westminster.
17. Parents who condone truancy are also being targeted through **parenting orders and fines**, created under the Crime and Disorder Act 1998. Eighty-seven orders relating to education matters were made during the pilot period. A new offence of aggravated truancy came into force on 1 March 2001 with higher fines for those found guilty than was previously the case; a maximum fine of £2,500 per parent and/or imprisonment of up to three months.

- 18. Schools which succeed in cutting truancy in challenging circumstances have the chance to win a **‘Truancy Buster’** award of up to £10,000. Awards were presented to 50 schools in February 2001. ‘Buster’ schools have shown they can reduce truancy, even in difficult circumstances. A good practice guide picking up on the best points for successful schools has been launched by DfEE.
- 19. St Lukes’ School in Swindon is one such ‘Buster’ school. Despite difficult circumstances – the school caters for pupils with emotional and behavioural difficulties – active measures undertaken by the school have resulted in truancy rates dramatically falling from 18.8 per cent in 1998 to 6.8 per cent in 2001. Forging stronger relationships with parents has been the key to driving down rates and the school now enjoys greater trust, co-operation and backing from parents. Attendance at a recent parents’ evening doubled to 50 per cent from a previous rate of 25 per cent. Linking the evening to a prize-giving ceremony for all pupils, with transport and food laid on thanks to sponsorship from Allied Dunbar, succeeded in encouraging more parents to come along.
- 20. Schools are being held more accountable for truancy rates. Following consultation, DfEE is proposing that all schools with above average levels of truancy set targets for reducing levels of unauthorised absence. The first targets should be in place by September 2001. In February, Ofsted published their report into attendance and behaviour in schools. The report showed that good schools can prevent truancy and maintain discipline, particularly if they are well managed, and have good systems for monitoring attendance. Good schools also work with parents to emphasise the importance of regular attendance at school. This good practice will be widely disseminated.
- 21. As part of the ongoing drive against truancy, DfEE and the Home Office are hosting five regional anti-truancy roadshows during March 2001 aimed at helping practitioners share good practice in combating truancy and crime. These will be supported by a ‘Tackling It Together’ leaflet, showing how local action can reduce truancy and crime.
- 22. Action to tackle social exclusion was incorporated into the first round of **Education Action Zones** and strengthened for the second. There is some evidence from the 73 Education Action Zones that individual Zones are having an effect in reducing truancy rates.

	Prevention	Reintegration	Minimum basic standards
Learning Support Units	✓	✓	
Education Action Zones	✓		✓
Learning Mentors	✓	✓	
Pupil Retention Grant		✓	
Flexibility in National Curriculum	✓		
Connexions Service	✓		
Truancy sweeps	✓	✓	
Pupil Referral Units	✓	✓	✓
Aggravated truancy offence	✓		

ANNEX C

ROUGH SLEEPERS

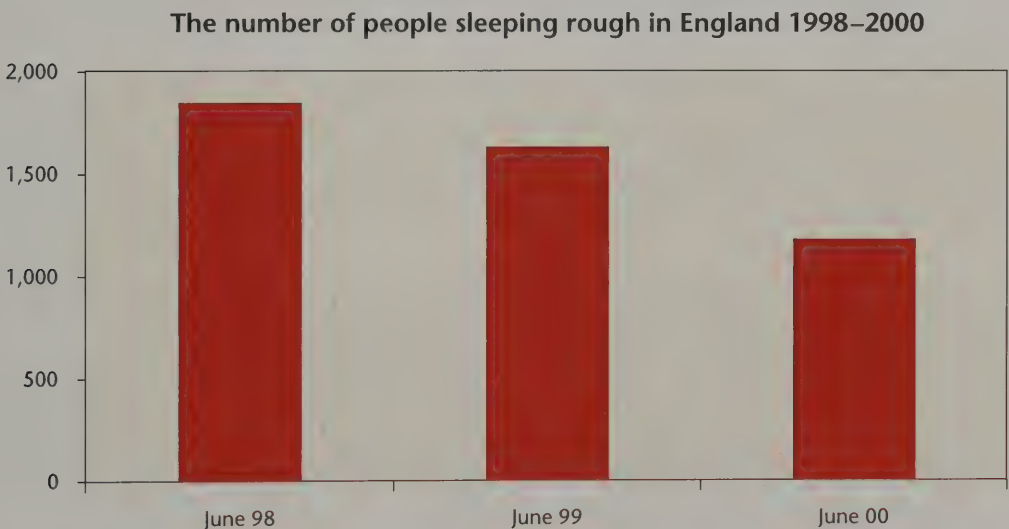
Headline Target

- To reduce the number of people sleeping rough in England to as near to zero as possible but at least by two-thirds by 2002.

Results

- The first milestone – a one-tenth reduction by December 1999 – was achieved on time;
- the second milestone – a one-quarter reduction by December 2000 – was achieved as early as June 2000; and
- the third milestone – a one-third reduction by June 2001 – was achieved by June 2000.

Half way into the programme, half the target has been achieved. The graph below¹¹² shows the progress made in reducing the numbers of rough sleepers.



Key measures

A joined-up response to rough sleeping

1. The **Rough Sleepers Unit (RSU)** was established to co-ordinate the overall strategy for England, covering not only housing, but also health, employment, training and benefits. The strategy, *Coming in from the Cold*, has three elements: help for those sleeping rough tonight; rebuilding the lives of former rough sleepers; and preventing a new generation of rough sleepers.
2. The RSU brought together five separate funding streams into a **single budget** of almost **£200 million** to support its work between 1999 and 2002.

Prevention

3. Between a quarter and a third of rough sleepers have been looked after by local authorities as children, up to a half have been in prison or remand, and between a quarter and a fifth have been in the armed forces. A range of measures is in place to block these routes into homelessness.
4. Guidance has already been issued to local authorities to ensure all homeless 16 and 17 year olds are accepted as a priority need for housing. The DETR Housing Policy Statement sets out the Government's intention to extend this to care leavers aged 18–21 years and applicants who are vulnerable as a result of an institutionalised background or as a result of fleeing domestic violence or harassment. The **Homes Bill** will require local authorities to take measures to prevent homelessness as part of their housing strategies.
5. The **Children (Leaving Care) Act 2000** is extending local authorities' responsibilities to include the provision of accommodation and support to 16 and 17 year olds who have been in care for 13 weeks or more in the two years before their 16th birthday. It will ensure that all care leavers have a young person's adviser and a pathway plan to map out a route to independence.
6. The RSU, in partnership with the Department of Health, funded the National Children's Bureau to audit London Boroughs' care-leaving services. RSU is funding a '**care-leaving support service**' which will work with seven London Boroughs to help them improve the standard of care-leaving services, focusing on accommodation strategies and joint protocols between housing and social services. The care leaving support service will start working in the Boroughs from April 2001.
7. Pilots running in seven prisons are providing **pre-release housing advice to short-term offenders** vulnerable to rough sleeping. They are based on the recommendations of the RSU research *Blocking the Fast Track from Prison to Rough Sleeping* published last year. The housing and benefits advice leaflets piloted by the RSU in London prisons for prisoners at both arrival and release stage have proved successful and will now be produced nationally by the Prison Service. The SEU is now working with other Government departments to look at how rates of unemployment and homelessness amongst ex-prisoners might be reduced, and whether more effective supervision post-release may have a role to play in this.
8. On ex-servicemen, RSU has funded English Churches Housing Group since September 2000 to operate the SPACES project based in Catterick. The pilot project, run in partnership with the Ministry of Defence (MOD), aims to ensure that all servicemen at risk of homelessness successfully secure housing, training and employment. The scheme has received applications for assistance from 132 service personnel. The RSU and MOD are working to develop this service nationally by 2002.
9. Those leaving the Army's Military Corrective Training Centre were at greatest risk of homelessness and other related problems. The RSU and the MOD have joined up the services already in existence by establishing a special housing surgery there.

10. The RSU in partnership with the Department of Social Security has introduced a shortened **housing benefit claim form** for rough sleepers with chaotic lifestyles who are unable to provide proof of income or ID. They have also relaxed the requirement to obtain identification for the first 13 weeks of a housing benefit claim for those at risk of homelessness. The Benefits Agency and local authorities have received guidance on the new form and verification framework and are now rolling out these new systems nationally.
11. The RSU funds projects around the country to help single people who are homeless and at risk of rough sleeping, e.g. **rent deposit schemes, housing advice centres, private rented accommodation registers and telephone advice lines**. The RSU will disseminate and promote implementation of a prevention of homelessness 'toolkit' so local authorities have practical examples of what works to include in their prevention of homelessness strategies.

Reintegration

12. **Twenty multi-disciplinary Contact and Assessment Teams** are working directly on the streets to help rough sleepers to come inside.
13. By December 2000 over **800 additional hostel places** for rough sleepers with drug, alcohol or mental health problems were available in London. Around a further 250 bed spaces targeted specifically at rough sleepers are expected to be provided by March 2002.
14. The RSU launched the *Change a Life* project in November 2000 which encouraged the public to give their time, gifts or money to organisations helping rough sleepers rebuild their lives. Building on *Change a Life*, the RSU will concentrate on encouraging voluntary organisations to involve former rough sleepers as volunteers and businesses to include homelessness within their corporate and social responsibility commitments.
15. By December 2000 over 3,800 **permanent homes** were made available specifically for former rough sleepers. A further 700 new permanent homes will be developed by 2002.
16. For young people the RSU is funding 'Safe Stops'. The aim of the Safe Stop project is to provide an emergency safety net for young rough sleepers in a safe environment, with the intention of providing opportunities to return home or securing access to safe accommodation or specialist services. For older rough sleepers, all-night centres have been established to provide a place of safety and shelter every night of the year.
17. £780,000 of Department of Health Drug and Alcohol Specific Grant has been targeted on nine local authority areas outside London with the most **acute substance misuse problems** amongst entrenched rough sleepers during 2000/01. The RSU and UK Anti-Drugs Co-ordination Unit are jointly funding over £2 million of substance misuse services for rough sleepers in central London. The RSU and its partners will ensure treatment, both detox and rehab, is available in London and the top ten local authority areas outside London, to rough sleepers with substance addictions during 2001/02.
18. The RSU commissioned a study to identify how to ensure all rough sleepers receive basic health care. This will be used, where necessary, to develop and embed the take-up of best practice by Directors of Public Health.
19. **Tenancy Sustainment Teams** are now operational across the country helping former rough sleepers move into education, training or employment. The teams will increase links with local businesses in partnership with Business Action on Homelessness.

20. The RSU, DfEE and Employment Service launched the 'Routeway' scheme in six areas in London in November 2000 to help rough sleepers and **homeless people into employment**. The Benefits Agency will provide a comprehensive outreach service working in hostels and day centres in London, with a view to replication elsewhere.
21. The **RSU Special Innovation Fund** has invested £4 million in projects to help former rough sleepers rebuild their lives. These include social businesses restoring furniture, painting and decorating schemes run by former rough sleepers, computer courses in hostels, and gardening and farming projects. The RSU will work in partnership with The Football Foundation and the Department for Culture, Media and Sport (DCMS) to improve the health and fitness of former rough sleepers by encouraging their participation in sport.
22. The RSU is working in partnership with the King's Fund, the Housing Corporation, housing associations and charities to develop a new scheme to provide training, education, employment and housing to former rough sleepers.

	Prevention	Reintegration	Minimum basic standards
Rough Sleepers Unit	✓	✓	✓
Homelessness Projects and Toolkit	✓		
Additional hostel places		✓	✓
Additional permanent homes		✓	✓
Housing benefit form	✓	✓	
Services for ex-service personnel	✓	✓	
Contact and Assessment Teams		✓	
Tenancy Sustainment Teams		✓	
Employment 'Routeway'		✓	
Special Innovation Fund		✓	
Help for those leaving care	✓		
Change a Life		✓	
Breaking the cycle of offending and homelessness	✓	✓	

ANNEX D

TEENAGE PREGNANCY

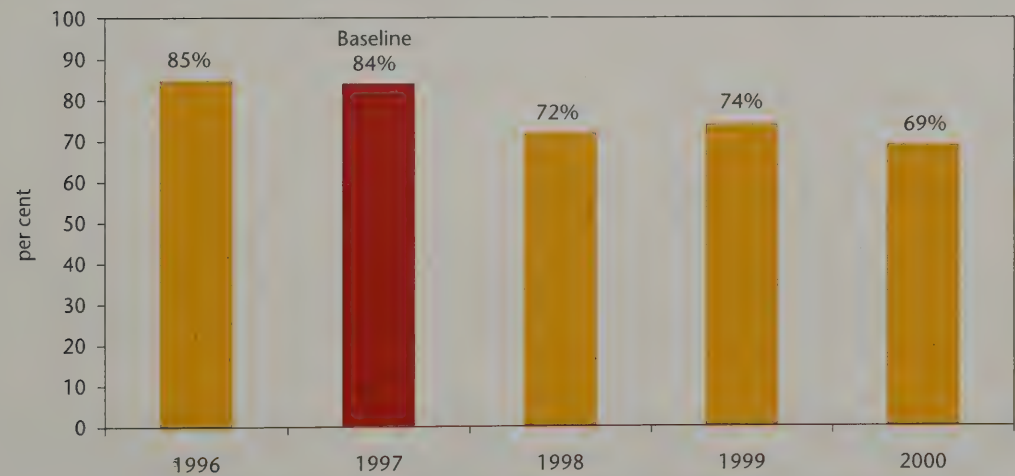
Policy goals

- To halve the rate of conceptions among under-18 year olds in England by 2010 (with an interim target of a 15 per cent reduction by 2004); and
- to achieve a reduction in the risk of long-term social exclusion for teenage parents and their children measured by participation in employment, training or education.

Results

- Early progress in reducing teenage conception rates is promising, with conception rates falling in four of the last five quarters. More up-to-date data on teenage conceptions is expected on 22 March 2001;
- significant progress has been made on the number of fathers paying maintenance for their children. During the year 2000 the number of teenage mothers receiving some maintenance for their child went up by 7 per cent whilst the number of fully compliant fathers increased from 15 per cent to 28 per cent; and
- the graph below shows that more teenage parents are in education, training or employment. The proportion of teenage parents not in education, employment or training fell from 84 per cent in 1997 to 69 per cent in 2000.

Proportion of teenage parents who are not in education, employment or training (England and Wales)



Source: Labour Force Survey, spring quarters. Note: teenage is defined as 16–19 year olds.

Key measures

A new drive nationally and locally to reduce teenage pregnancy

1. The Teenage Pregnancy Unit (TPU), a cross-departmental unit, was set up in 1999 to join up departments in Whitehall and to oversee implementation.
2. **Every area in England has a local teenage pregnancy co-ordinator** with responsibility for joining up services locally and developing local strategies. Funding of £11.5 million will be available for local projects in 2001/02, in addition to the £12 million already invested since 1999. Last year this funded innovative initiatives including peer mentoring, working with young care leavers and working with teenage fathers.
3. Local targets for reducing teenage pregnancies have been set and no local authority is to have a rate higher than 41 per 1,000 women aged 15 to 17 by 2010.
4. A national publicity campaign was launched in October 2000. Developed in consultation with young people and parents, the campaign focuses on three themes: taking control of your life, choices and personal responsibility. It targets teenage boys just as much as teenage girls. The TPU is taking the lead in developing support for parents in talking to their children about sex and relationships.

Better prevention: education about sex and relationships in schools and effective advice and contraception for young people

5. Guidance on Sex and Relationship Education (SRE) was issued to schools in July 2000. Its purpose is to help young people deal with the pressures to have sex too young and to encourage them to use contraception if they do have sex. OFSTED will produce a good practice guide on SRE later in 2001 and will also inspect SRE from September 2001. There will be a comprehensive revision of the full initial teacher training guidance – including clearer guidance on training in SRE – in 2002. Training and accreditation in SRE for existing teachers will be piloted from September 2001 and rolled out nationally in 2002.
6. The TPU has issued best practice guidance on youth contraception services so that young people will feel welcome and get proper, responsible counselling.
7. The 'Sexwise' phone advice line for young people has been expanded to meet demand and now averages over 4,000 calls a day.

Groups at special risk of teenage pregnancy

8. A module on sex and relationships education for **young offenders** has been developed as part of the Life Skills package with the Prison Service. The Sex Education Forum has produced supporting materials. The sexual health education course for young offenders will be rolled out from April 2001 under a new Prison Service Order.
9. Following discussion with **black and minority ethnic (BME) groups**, the TPU issued guidance to local co-ordinators on good practice in providing services for young people from these communities. The TPU is commissioning new research on teenage pregnancy among BME groups.

10. 'Quality Protects' guidance issued in 2000 asked local authorities to set out plans to reduce teenage pregnancy among **children in care**.
11. The TPU has issued guidance to local co-ordinators on making advice and contraception services accessible to **boys and young men**.

Better support for pregnant teenagers; education and training and housing support for teenage parents

12. DfEE issued guidance in June 1999 which made it clear that pregnancy is not a reason for exclusion from school.
13. Forty-five school reintegration officers have been appointed nationally to work with local services to help teenage parents back into education following birth. DfEE and the Department of Health are consulting on guidance on the reintegration of school-age mothers back into education.
14. Two Education Maintenance Allowance (EMA) pilots are piloting additional flexibilities to meet the needs of teenage parents.
15. 15 Sure Start Plus pilots were announced in December 2000. Costing £8 million, the pilots are designed to support young parents back into education and employment. Two further pilots were recently approved and it is anticipated that three more will be approved during 2001.
16. There are five subsidised childcare pilots for 16 and 17 year olds whose families cannot help with childcare, to allow young parents to help themselves and participate in further education or training. Four pilots funded by £3 million from the European Social Fund were recently announced. Pilots will be evaluated so that lessons about what works can be implemented across the country.
17. By 2003 all lone parents under 18 who cannot stay with their family must be provided with supported housing. All housing authorities have undertaken an audit of supply and demand to enable them to plan to meet the 2003 target.
18. The Child Support Agency (CSA) issued guidance to its staff in July 1999 that teenage mothers on benefit should be treated as a priority for early child support action. Although cases involving teenage mothers on benefit represent just over one per cent of the overall CSA caseload, they accounted for eight per cent of assessments undertaken last year.

	Prevention	Reintegration	Minimum basic standards
Teenage Pregnancy Unit	✓	✓	✓
National publicity campaign	✓		
Childcare pilots		✓	
Supported housing	✓	✓	
Local co-ordinators	✓	✓	✓
Contraception best practice guidance	✓		✓
Prison Life Skills package	✓		
Quality Protects	✓		
SRE	✓		✓
Sexwise	✓		✓
School Reintegration Officers		✓	
EMAs		✓	
Sure Start Plus	✓	✓	

ANNEX E

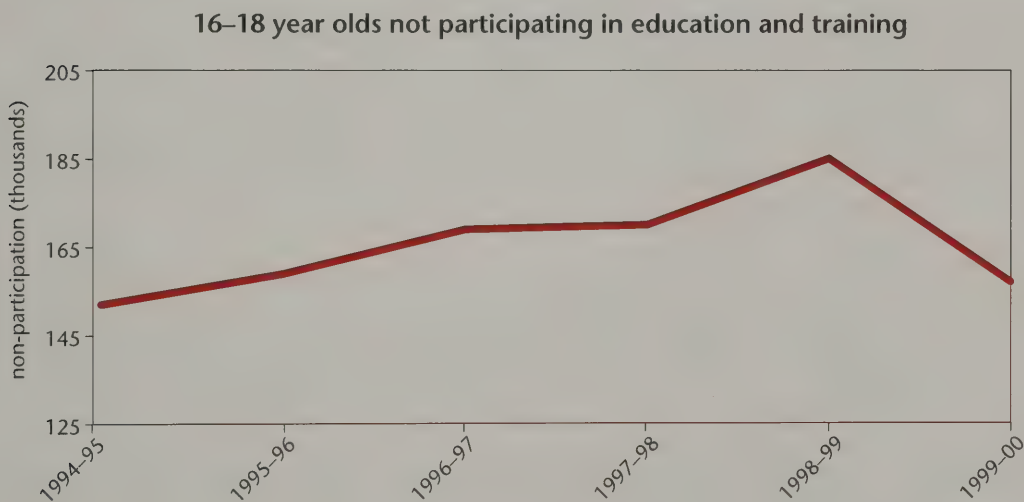
BRIDGING THE GAP

Goal

- To reduce the numbers of 16 to 18 year olds not in education, training and employment.

Results

- In 1999, the trend of rising numbers not in education or training was reversed, as the graph below shows;
- the number of 16 to 18 year olds not in education, training or employment¹¹³ fell by over 15 per cent from 185,000 to 157,000 between 1998 and 1999; and
- specific measures are making a difference. Education Maintenance Allowances (EMAs) now cover 30 per cent of the country, and over 66,000 people. Evaluation of the first 15 pilots shows that EMAs increase staying-on rates by between three and 11 percentage points.



Key measures

A youth support service, Connexions

1. The Government is creating a single new advice, guidance and support service, Connexions, in charge of supporting young people aged 13 to 19 years in learning and society more generally. The service will provide each individual with a Personal Adviser who will tailor support to the young person's needs.
2. The Connexions Service is being phased in across England from April 2001 with the aim of achieving coverage across England by 2003. The Service will have two primary targets, on participation in education and training and on educational achievement. It also has a range of cross-cutting targets, such as for reducing drug offending and teenage conception rates.

3. Thirteen Connexions pilots have already demonstrated how a Personal Adviser can make a real difference. There are examples within the pilots of young people at risk being pulled back from the brink of chaos and set up to achieve greater success in later life. Connexions pilots are working with a range of specific groups of young people especially at risk including young offenders, teenage parents and young homeless people.

Cash incentives to stay on

4. In the past, young people who entered training at 16 would get a training allowance, while those who entered further education could only apply for a discretionary access fund. The Government has been addressing this disincentive by piloting Education Maintenance Allowances which now cover 30 per cent of the country and are improving staying-on rates by between three and 11 percentage points. To gain the allowance young people have to sign a learning agreement relating to their attendance, behaviour and achievement.
5. Additional specialist EMAs are also running for young people at particular risk of losing out, such as teenage parents, homeless young people and young people in rural areas with transport difficulties.
6. The Connexions Card, offering a range of incentives for young people to stay in learning, including discounts for young people on travel, leisure and other benefits geared towards the youth market, is currently being piloted, with some pathfinder areas agreed. It will be rolled out on a phased basis from the autumn.

Improving education and training for disadvantaged young people

7. Regulations have been introduced to extend curriculum flexibility for 14 to 16 year olds. This has allowed around four per cent of the school population in 1,100 schools to develop tailored provision for disadvantaged young people. The evaluation of pilots showed a marked increase in participation in education.
8. From 2002, 14–16 year olds will be able to take vocational GCSEs in a broad range of subjects. Support will be available to expand the range of vocational opportunities at Key Stage 4. £38 million additional funding in 2002–04 will pay for up to 40,000 college placements per year. By the end of March 2000 over 346,000 young people had started on Advanced Modern Apprenticeships and 123,000 on Foundation Modern Apprenticeships.
9. From April 2001 funding will enable every young offender to participate in a programme of 30 hours a week of education, personal development and work activity reaching educational accreditation standards.

Consulting on graduation

10. *Bridging the Gap* proposed a new goal of graduation for young people to achieve by the age of 19 to encourage and recognise staying on in learning. This would encompass formal qualifications and also achievement in other key skills, including information and communication skills, and activities in the community. Consultation on a graduation scheme was well received. Further work on the concept is to be carried out by the Qualifications and Curriculum Authority with a longer-term view to be taken in the autumn.

	Prevention	Reintegration	Minimum basic standards
EMAs	✓	✓	
Connexions Service	✓	✓	✓
Vocational GCSEs	✓		
Modern Apprenticeships	✓		
Graduation	✓		✓
Connexions Card	✓		
Young offenders education	✓	✓	✓

ANNEX F

NATIONAL STRATEGY FOR NEIGHBOURHOOD RENEWAL

Headline Targets

- To improve outcomes on worklessness, crime, health, skills, and housing and the physical environment – delivering on national and local targets; and
- to narrow the gap between the poorest neighbourhoods and the rest of the country.

Key measures

A revolutionary approach to tackling the problems affecting England's most deprived neighbourhoods

1. In September 1998, the Social Exclusion Unit published *Bringing Britain Together: a national strategy for neighbourhood renewal*. This report explained how a national strategy was needed to tackle the problems faced in the most deprived neighbourhoods.
2. It proposed that 18 cross-cutting Policy Action Teams (PATs) be set up – the biggest 'joining-up' of Government ever – to make recommendations on the range of difficult issues affecting poor neighbourhoods. The Teams made a total of 569 recommendations. They were made up of outside experts and civil servants from across Government. A Minister was assigned to champion each PAT. The SEU led five of the PATs and the others were led by officials from seven different Government Departments.
3. Key PAT recommendations were reflected in the Social Exclusion Unit's second neighbourhood renewal report – *National Strategy for Neighbourhood Renewal: a framework for consultation*, published for public consultation in April 2000. At the same time, the Unit published a report on *Minority Ethnic Issues in Social Exclusion and Neighbourhood Renewal*, that drew together the Unit's work on minority ethnic social exclusion issues.

National Strategy Action Plan

1. The Social Exclusion Unit produced its third report on neighbourhoods – *A New Commitment to Neighbourhood Renewal: National Strategy Action Plan* (referred to as the 'National Strategy Action Plan') by bringing together:
 - the PAT recommendations;
 - nearly 600 public responses to *National Strategy for Neighbourhood Renewal: a framework for consultation*; and
 - the outcome of the Spending Review on Government Intervention in Deprived Areas (GIDA).

In January 2001, this report, launched by the Prime Minister, set out the Government's 10-to-20 year strategy for deprived neighbourhoods – that no-one should be seriously disadvantaged by where they live.

5. The Unit also published a report setting out Government progress on the recommendations made by the PATs – the *National Strategy for Neighbourhood Renewal: Policy Action Team Audit*. The Audit showed that of the 569 recommendations made by the Policy Action Teams, 86 per cent have been accepted by the Government and a further 12 per cent remained under consideration.

Key measures

6. The National Strategy Action Plan offers a comprehensive approach to tackling neighbourhood deprivation. It is unashamedly long term – a 10-to-20 year strategy.

New targets, policies and funding

7. The Government has set 'floor' targets for outcomes in deprived areas, with universal minimum standards for every area on tackling crime, improving health, education and employment. The targets will focus efforts on the areas that need help the most – and ensure that pockets of deprivation are no longer masked by national averages.
8. 'Floor' targets include:
 - **Jobs:** Increase employment rates in the 30 local authority districts with the poorest initial labour market conditions, and narrow the gap between these and the overall rate, by 2004;
 - **Skills:** All schools to have at least 25 per cent of pupils getting five A*–C GCSEs; and all Local Education Authorities (LEAs) to achieve the same standard with 38 per cent of pupils. Government is also consulting on targets for 2004 that 85 per cent of 11 year olds should achieve Level 4 or above in English and Maths, and on a target that at least 35 per cent should reach Level 5;
 - **Crime:** To reduce domestic burglary by 25 per cent, with no area having a rate more than three times the national average by 2005;
 - **Health:** In order to reduce health inequalities, the Government has given a commitment to reduce by at least 10 per cent the gap between the one in five areas with the lowest life expectancy at birth and the population as a whole by 2010; and
 - **Housing:** Reduce by 33 per cent the number of households living in non-decent social housing, with most improvement in the most deprived local authority areas, as part of a comprehensive regeneration strategy, by 2004.
9. To help achieve performance targets, the 2000 Spending Review announced that Government will be delivering a range of new policies and resources for tackling crime, health, education, employment and housing.
10. These include the Children's Fund, set up to support disadvantaged children and young people; a new role and extra funding for Regional Development Agencies; Action Teams for Jobs in high unemployment areas now being extended with a further £120 million to cover about 50 areas; new measures to combat Anti-Social Behaviour; Neighbourhood Wardens as a visible and recognisable local presence; Neighbourhood Learning Centres and an IT centre in reach of every deprived neighbourhood; Personal Medical Services pilots; and a target for achieving a turn around in declining demand for housing.

Action at local and community level

- 11. The goals of the National Strategy Action Plan will be delivered through action at local level – with all of the key local stakeholders¹¹⁴ working together in **Local Strategic Partnerships**. These partnerships will devise Local Neighbourhood Renewal Strategies that prioritise, oversee and monitor action for change in the poorest neighbourhoods. They will also set targets for their area.
- 12. For the 88 most deprived local authority districts, a £900 million Neighbourhood Renewal Fund will kick-start implementation of the National Strategy. The Fund will be used by **Local Strategic Partnerships**¹¹³ to tackle deprivation and improve local services.
- 13. Communities have a key role. To ensure that they can play a full part in Local Strategic Partnerships, resources from the **Community Empowerment Fund (CEF)** will be used to support the community and voluntary sector. Community Chest will provide residents and local organisations with funds for projects in their neighbourhoods.
- 14. At the ‘grass roots’, **Neighbourhood Management** will be piloted to place a single person, team or organisation in charge of a neighbourhood – someone to whom residents or other local people can turn if they face a problem in the area. Managers will help to focus services on residents’ needs, be able to run certain services themselves or put pressure on Government to implement change.

National and regional support

- 15. At national and regional level, Government is supporting local implementation of the National Strategy Action Plan. The cross-cutting **Neighbourhood Renewal Unit** is responsible for implementing the plan from within the Department of the Environment, Transport and the Regions. In the regions, **Government Offices** will support Local Strategic Partnerships through their Neighbourhood Renewal Teams, which will deliver certain elements of the Strategy, and will ensure that public sector organisations are fully involved.
- 16. Alongside this, the Government has established a new ward-level information service called **Neighbourhood Statistics** to support neighbourhood renewal. Users will be able to pinpoint problems and target solutions more effectively with the new data resources.

	Prevention	Reintegration	Minimum basic standards
Floor targets	✓	✓	✓
Making mainstream programmes work better	✓	✓	✓
Neighbourhood Renewal Fund	✓	✓	✓
Local Strategic Partnerships	✓	✓	✓
Community Empowerment Fund	✓	✓	
Community Chests	✓	✓	
Neighbourhood Management	✓	✓	✓
Neighbourhood Wardens	✓		✓
Neighbourhood Renewal Unit	✓	✓	✓
Neighbourhood Renewal Teams in the Regions	✓	✓	✓
Neighbourhood Statistics	✓	✓	✓

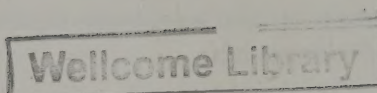
NOTES

- ¹ The Social Exclusion Unit's remit covers England only. The report illustrates policies which are in operation in England. England-only figures have been used where these are available.
- ² The 88 most deprived areas as defined in SEU, *A New Commitment to Neighbourhood Renewal*, 2001.
- ³ SEU, *Rough Sleeping*, p5, 1998. (Original source: Craig et al, 1995).
- ⁴ SEU, *Rough Sleeping*, p6, 1998. (Original source: Anderson et al, 1993).
- ⁵ *ibid* (Original source: Gill et al, 1996).
- ⁶ Numbers identified by the Rough Sleepers Unit and organisations working on the front line.
- ⁷ The Children's Society, *Still Running*, 1999.
- ⁸ NACRO, unpublished research.
- ⁹ *ibid*.
- ¹⁰ *ibid*.
- ¹¹ *ibid*.
- ¹² N Singleton, R Gatward, J Coid and O Deasy, Psychiatric morbidity amongst prisoners: summary report, London, ONS, 1998.
- ¹³ 'Relevant population' is used here to indicate the specific constituent group affected by each area of social exclusion – for example, 'all teenage girls' would be the 'relevant population' for teenage mothers.
- ¹⁴ SEU, *Teenage Pregnancy*, 1999, section 1.8, figure 5. (Original source: ONS).
- ¹⁵ SEU, *Truancy and School Exclusion*, 1998.
- ¹⁶ SEU, *Rough Sleeping*, 1998.
- ¹⁷ SEU, *Bridging the Gap*, p15, 1999. (Original source: EUROSTAT).
- ¹⁸ SEU, Policy Action Team 12 report on Young People, 2000, p22.
- ¹⁹ Home Office Statistical Bulletin, 12 March 2001, 4/01, RSD.
- ²⁰ SEU, *Bringing Britain Together*, p20, section 1.7, 1998. (Original source: *Households below average income 1994/95*, 1995). 'Low income' means income below half average.
- ²¹ Home Office Statistical Bulletin, 5th July 1995, 14/95.
- ²² Measured as income of less than half the median.
- ²³ R Walker and J Park, 'Unpicking poverty' quoted in C Oppenheim, *An Inclusive Society: strategies for tackling poverty*, IPPR 1998.
- ²⁴ Gregg, Harkness and Machin, *Child Development and Family Income*.
- ²⁵ SEU, Policy Action Team 12 report, p25, 2000.
- ²⁶ SEU, *Rough Sleeping*, section 1.12, 1998.
- ²⁷ SEU, *Rough Sleeping*, p6, 1998.
- ²⁸ Quoted in SEU *Teenage Pregnancy* report, p17. (Original source: Croydon Community Trust, *The health of young mothers in Fieldway and New Addington*, 1994).
- ²⁹ Unpublished NACRO research.
- ³⁰ Dodd and Hunter, *National Prison Survey*, HMSO, 1992.
- ³¹ DSS, *Households below Average Income*, ch 7, 2000.
- ³² DfEE, *Action on Age*.
- ³³ DETR, *Older People: Their Transport Needs and Requirements*, 2001.
- ³⁴ Quoted in SEU, *Teenage Pregnancy*, p17, 1999. K. Kiernan, *Transition to Parenthood: Young mothers, young fathers – associated factors and later life experiences*.
- ³⁵ Stephen Machin in CASE paper 4, *Exclusion, Employment and Opportunity*, ed Tony Atkinson and John Hills, 1998.
- ³⁶ Gregg and Machin, 1997.
- ³⁷ *ibid*.
- ³⁸ SEU, *Bridging the Gap*, 1999. (Original source: P. Johnson and H. Read, *Intergenerational mobility among the rich and poor*, 1996).
- ³⁹ Leon Feinstein, *Pre-school Educational Inequality? British Children in the 1970 Cohort*, 1998.

- ⁴⁰ Data supplied by DfEE. The data between 1962 and 1979 was collected on a GB-wide basis and from 1979 on a UK-wide basis. Long-term unemployment, as used in this chart, is for all those unemployed for more than 12 months. This chart is based on the long-term unemployment figures for the third quarter of each year and all figures are seasonally adjusted.
- ⁴¹ HMT, *The Modernisation of Britain's Tax and Benefit System – Number Four: Tackling Poverty and Extending Opportunity*, 1999.
- ⁴² ONS, *Social Trends 30*, 2000 edition. The data for 1997 is not for the full year.
- ⁴³ SEU, *Truancy and School Exclusion*, 1998, Cm 3957.
- ⁴⁴ Home Office (Corkery), *Statistics of drug addicts notified to the Home Office, United Kingdom 1996, 1997*.
- ⁴⁵ Home Office, *Criminal Justice: The Way Ahead*, February 2001, Cm 5074.
- ⁴⁶ UNICEF, A League Table of Child Poverty in Rich Nations, Innocenti report card Issue No 1, June 2000. The US official poverty line is set in dollars and represents the annual income required to allow a family of a given size to purchase the range of goods and services that are seen as constituting the minimum acceptable way of life in America.
- ⁴⁷ DSS, *Opportunity for All*, 2000, Cm 4865. Data for Finland not available.
- ⁴⁸ DSS, *Opportunity for All: tackling poverty and social exclusion*, 1999, Cm 4445. Original source: OECD, *Employment Outlook*, June 1998. Data for Austria, Denmark and Sweden is not available.
- ⁴⁹ European Commission, *European report on the quality of school education – sixteen quality indicators*, 2000.
- ⁵⁰ K. Sweeney, B. Morgan and D. Donnelly – *Adult Literacy in Northern Ireland*, 1998. The data for this chart is derived from the International Adult Literacy (IAL) survey that was carried out between 1994 and 1996. People were tested to see which level of literacy they were able to achieve – from level 1 (low) to level 4/5 (high). The IAL uses three different indicators of literacy – prose, document and quantitative literacy. The figures in this report are based on 'document' literacy – the knowledge and skills required to locate and use information contained in various formats, including job applications, bus and train timetables, maps and tables.
- ⁵¹ SEU, *Bridging the Gap*, 1999.
- ⁵² SEU, *Teenage Pregnancy*, 1999, Cm 4342, p13.
- ⁵³ Björn Hibbell et al, *The 1999 ESPAD report – The European School Survey Project on Alcohol and Other Drugs*, 2000.
- ⁵⁴ Gordon C. Barclay and Cynthia Tavares – *International comparisons of criminal justice statistics*, 1998 (Home Office Statistical Bulletin Issue Number 04/00, 2000).
- ⁵⁵ In deprived areas, more than twice as many nursery/primary schools – and more than five times as many secondary schools – are in special measures – DfEE, Policy Action Team 11 report on Schools Plus, 2000.
- ⁵⁶ A 1995 survey of secondary schools serving 'difficult to let' estates found that one in four children gained no GCSEs, five times the national average: SEU, *Bringing Britain Together*, 1998. (Original source: M. Taylor, *Unleashing the potential: bringing residents to the centre of regeneration*, 1995)
- ⁵⁷ SEU, *Bridging the Gap*, pp36 and 37, 1999. (Original source: New earnings survey, 1998)
- ⁵⁸ DH, *The NHS Plan 2000*, CM 4911.
- ⁵⁹ HMT, Policy Action Team 14 report on Financial Services, 1999.
- ⁶⁰ DH, Policy Action Team 13 report on Shops, 1999.
- ⁶¹ Kempson, E and Whyley C, *Kept In Or Opted out? Understanding and Combating Financial Exclusion*, 1999.
- ⁶² McCormick, 1997.
- ⁶³ A 1995 study concluded that 30 to 50 per cent of rough sleepers suffered mental health problems – with 88 per cent becoming ill before they became rough sleepers (SEU, *Rough Sleeping*, p5, 1998. Original source; Craig et al, 1995).
- ⁶⁴ A study in 1995 found that 40 per cent of teenage mothers suffer from depression within a year of giving birth – double the rate for single women of the same age living at home (SEU, *Teenage Pregnancy*, p65, 1999). (Original source: J. Wilson, *Maternity Policy: Caroline – a case of a pregnant teenager*, 1995)
- ⁶⁵ 40 per cent of unskilled men smoke compared with 12 per cent of men in professional jobs. – DH, *Our Healthier Nation*, p18, 1999.
- ⁶⁶ Brand and Price, *Economic and social costs of crime: Home Office Research Study*, 2000.

- ⁶⁷ SEU, *Bridging the Gap*, op cit. (Original source: NACRO, *Wasted Lives*, 1998)
- ⁶⁸ Each young person in alternative education costs at least an additional £1,800; the cost of a place in a Pupil Referral Unit (PRU) is £4,300 compared with £2,500 for a place in mainstream education. This figure is the result of a number of simplifications – the number of permanently excluded pupils placed in PRUs is in reality about a third – a further third are found alternative provision. This also ‘double counts’ those who are permanently excluded on more than one occasion. Both of these factors serve to reduce the actual cost. However, the unit cost quoted does not cover year-on-year provision for those permanently excluded well before Year 11 – the additional annual cost of a continuing permanent exclusion is higher, at around £2,600 per young person: see C. Parsons, *Exclusion from School: the public cost*, Commission for Racial Equality, 1996. Home Office research suggests around 60 per cent of those excluded from school go on to become young offenders – in fact the cautioned and/or convicted figure may be higher. The NACRO report *Wasted Lives* (1998) estimates the average response cost in dealing with the behaviour of a young offender to be around £52,000 (made up of prosecution, incarceration and supervision costs as well as family intervention and care).
- ⁶⁹ SEU, Policy Action Team 12 report, op cit. (Original source: Bramley et al, *Where does public spending go?*, DETR, 1998)
- ⁷⁰ SEU, *Bridging the Gap*, op cit. (M. Haigh, *Arrest Referral and emerging lessons from research*, cited in Home Office drug prevention initiative report, 1998).
- ⁷¹ SEU, *Rough Sleeping*, p11, section 2.22, 1998.
- ⁷² ONS, *Social Trends* 27, p43.
- ⁷³ ONS, *Social Trends* 27, p48.
- ⁷⁴ Urban Task Force, *Towards an Urban Renaissance*, DETR, 1999.
- ⁷⁵ A survey conducted by the Opinion Research Business in 1997 strongly suggested that there was a relatively high concentration of poor basic skills in the most disadvantaged areas – with the proportion of adults in each local authority district with very poor literacy skills varying between nine per cent and 24 per cent (DfEE, Policy Action Team 2 report, p29, 1999 – Original source: The Opinion Research Business survey conducted by Basic Skills Agency, 1997).
- ⁷⁶ HMT, *Spending Review 2000: New Public Spending Plans 2001–04*, 2000.
- ⁷⁷ British Bankers Association (Kempson/Whyley), *Access to Current Accounts – a Report to the British Bankers Association*, 1998. See also HMT, Policy Action Team 14 report, ch 4, 1999.
- ⁷⁸ SEU, Policy Action Team 18 on Better Information, 2000.
- ⁷⁹ Children and Young People’s Unit, March 2001, www.dfes.gov.uk/cypu.
- ⁸⁰ A long-term study of the High/Scope Perry Pre-school Programme, launched more than 30 years ago in an impoverished Michigan community, provides evidence that quality pre-school education can exert a lasting, positive influence over children’s lives. It calculated that for every \$1 originally invested in the Perry Pre-school programme, there has been a return to the taxpayer in reduced crime, lower demand for special education, welfare and other public services of over \$7 in real terms. W.S. Barnett, (1994) *Cost-Benefit Analysis* in L.J. Schweinhart; H.V. Barnes and D.P. Weikart (1993) *The High/Scope Perry Pre-school Study Through Age 27. High/Scope Educational Foundation* (Ypsilanti, Michigan).
- ⁸¹ DfEE Press Notice 2000/0568. The figures show a ten percentage point improvement in English results between 1998 and 2000; a 13 percentage point improvement in maths results between 1998 and 2000; and seven percentage point (1999/2000) and nine percentage point (1998/99) improvements in science results.
- ⁸² Made in February 2001 to 50 schools that have made significant inroads into tackling truancy (some in exceptionally challenging circumstances)
- ⁸³ Published in February 2001
- ⁸⁴ ONS, *Health Statistics Quarterly/Population Trends*, Winter 2000.
- ⁸⁵ Increase to £4.20 in October 2002 will be subject to economic conditions at that time.
- ⁸⁶ SEU, *A New Commitment to Neighbourhood Renewal*, 2001, p23.
- ⁸⁷ *ibid*.
- ⁸⁸ PAT 14, p42. (Original source: E. Kempson and C. Whyley, *Access to current accounts – a report to the British Bankers Association*, 1998).
- ⁸⁹ SEU, *A New Commitment to Neighbourhood Renewal*, 2001.
- ⁹⁰ Initially for a one-year trial period.
- ⁹¹ DETR, *Our countryside: The Future*, 2000 Cm 4909.
- ⁹² DETR, *The UK Fuel Poverty Strategy – consultation draft*, 2001.

- ⁹³ The common definition of a fuel poor household is one that needs to spend in excess of 10 per cent of household income in order to maintain a satisfactory heating regime.
- ⁹⁴ HO, *Race Equality in Public Services*, 2001.
- ⁹⁵ HO, Home Office Statistical Bulletin 18/00, 2000.
- ⁹⁶ DETR, 1999/2000, Survey of English Housing: Preliminary results, 2000. This statement is based on responses from households in deprived areas on 'fear of crime' in 1994/95 and 1999/00.
- ⁹⁷ HO, *Criminal Justice: The Way Forward*, p21, 2001.
- ⁹⁸ HO, *Criminal Justice: The Way Forward*, p38, 2001.
- ⁹⁹ Ibid.
- ¹⁰⁰ DfEE, *Towards full employment in a modern society*, 2001.
- ¹⁰¹ The Smith Institute, *Saving for the future*, 2001, p25.
- ¹⁰² From 2003.
- ¹⁰³ SEU, *A New Commitment to Neighbourhood Renewal*, p19, 2001.
- ¹⁰⁴ DH, *NHS Plan 2000*, 13.9.
- ¹⁰⁵ SEU, *A New Commitment to Neighbourhood Renewal*, p19, 2001. (Original source: Department of Health, *NHS Plan 2000*).
- ¹⁰⁶ DH, *ibid*, 13.11–12.
- ¹⁰⁷ DH, *ibid*, 13.17.
- ¹⁰⁸ Budget 2001.
- ¹⁰⁹ Hansard, 6 December 1999, Vol 340 no 13, col 356w–359w.
- ¹¹⁰ DfEE Statistical Bulletin Issue No 13/00, December 2000.
- ¹¹¹ Annual Report of Her Majesty's Chief Inspector of Schools, February 2001.
- ¹¹² Data supplied by the Rough Sleepers Unit, DETR. These figures are compiled by the DETR from the Housing Investment Programme returns made by local authorities and represent a snapshot of the number of people sleeping rough in England.
- ¹¹³ DfEE, Statistical First Release.
- ¹¹⁴ LSP core membership in every area will include the public, private, voluntary and community sectors. The full set of members of each LSP will be decided locally.



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Publication date March 2001
Edition number: 01